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26 November 1980

MEMORANDUM FOR: Chief, Operations Group  
Chief, Production Group  
Chief, Analysis Group  
Chief, Executive and Planning Staff  
✓ Chief, Administrative Staff

FROM:

  
Deputy Director, Foreign Broadcast Information  
Service

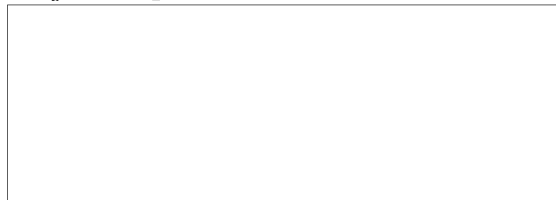
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SUBJECT: IG Report on FBIS


Attached is a copy of the Executive Summary of the IG Report on FBIS, based on an inspection conducted in the summer of 1979. I have deleted portions that criticize personnel. This copy may be shown to employees who wish to read it. Readers should keep in mind that the report, only recently received by FBIS, is based on data gathered more than a year ago, and that recommendations are not automatically implemented. FBIS is responding to the recommendations. (S)

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Attachment:  
As stated



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Annex B

Distribution of pages of the IG Report will be as follows:

Executive Summary to C/Ops, C/Prod, C/AG, C/DRD, C/AS, and C/E&PS (on Eyes Only basis for chiefs and their deputies, not to be further circulated.)

Office of the Director to C/E&PS.

Operations Group to C/Ops and C/DRD.

Production Group to C/Prod.

Analysis Group to C/AG.

Personnel Management. Group chiefs, C/E&PS, C/AS. May be read by senior officers.

Foreign Nationals. C/Ops, C/DRD, C/AS, C/E&PS.

Volume II. Two copies to C/Ops; one copy to be sent to appropriate bureau. May be read by appropriate Headquarters officers and by chief and other officers of appropriate individual bureaus.

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## Executive Summary

### I. Background

#### A. Mission

The principal functions of FBIS are to:

- Conduct, as a service of common concern, the monitoring of foreign radio, television and press broadcasts and foreign publications, and the dissemination [in English] of the collected information to United States Government components.

- Provide translation support to CIA components and, when appropriate, to other U.S. Government agencies.

- Analyze the content, volume, and audience targeting of Communist broadcast and published media for indications of Communist objectives, intentions, and problems, and report regularly the results of this analysis.

- Collect, collate, and publish technical and programming information on the world's broadcasting stations.

The functions of FBIS derive primarily from paragraphs 8 and 9 of NSCID No. 2, revised 17 February 1972.

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DCID No. 2/4, effective 18 May 1976, restates FBIS' tasks essentially as defined in NSCID No. 2.

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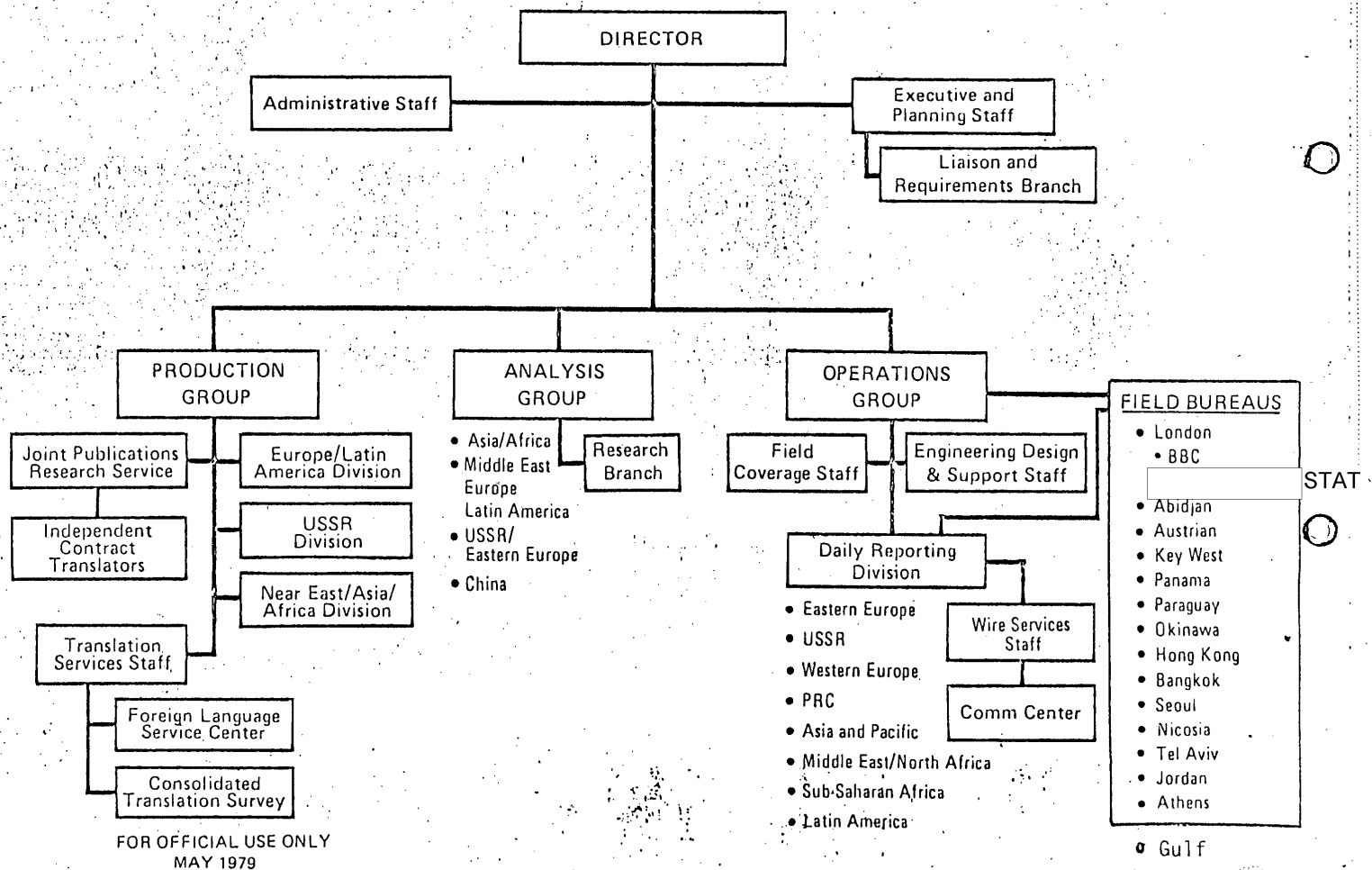
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B. History, Organization, Budget and Product

U.S. Government (USG) monitoring of foreign broadcasts commenced in 1941 when FBIS was established as a part of the Federal Communications Commission. During World War II, FBIS developed a collaborative relationship with its British counterpart in the British Broadcasting Corporation (BBC) which endures to date. After World War II, the monitoring function was transferred to the Central Intelligence Group (CIG), CIA's predecessor organization. At that time, another World War II unit, the U.S. Army's Military Documents Center, which translated captured enemy material, was also merged with CIG. Later, under CIA, these two components--as the Foreign Broadcast Information Service and the Foreign Documents Division (FDD)--plus the overt Contacts Division formed CIA's Office of Operations in the Directorate of Intelligence (DI). In 1963, FDD became part of the Central Reference Service, now the Office of Central Reference. In 1967, FBIS and FDD were merged in an effort to ensure increased efficiency and speed by consolidating the

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## Foreign Broadcast Information Service



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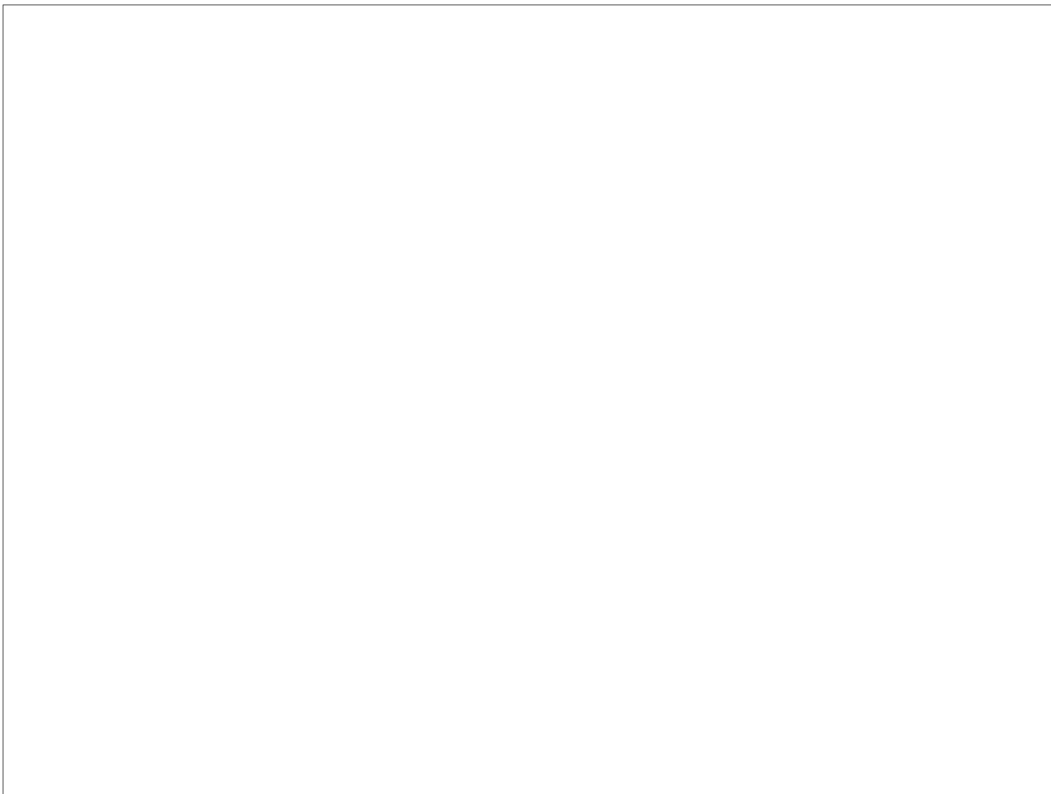
exploitation of oral and published news media and by performing overseas work that could be done at lower cost by foreign nationals with a consequent saving in staff positions at home. When the DI was reorganized in early 1976, FBIS was transferred, as part of a trade of components, to the Directorate of Science and Technology (DS&T), its current location. Today FBIS is a separate element of the DS&T and the FBIS Director reports directly to the Deputy Director for Science and Technology (DDS&T) and participates regularly in DS&T staff meetings.

The organization of FBIS is shown on the chart facing this page. FBIS' principal components are the Office of the Director and the three functional groups. The Operations Group collects information overseas from foreign radio and television broadcasts and articles of immediate interest appearing in foreign publications and disseminates the product abroad and in Washington through its wire services and its Daily Report publications. The Production Group in Washington does special translations and selects less time-sensitive articles from foreign newspapers and journals for translation and publication by the Joint Publications Research Service (JPRS). The Analysis Group analyzes Communist radio and television broadcasts and publishes

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its findings in Trends in Communist Media and special reports. The mission, staffing, budget and performance of the groups, including the field bureaus, are detailed in the separate sections of this report.



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Abidjan and the Persian Gulf.

FBIS budget figures do not include receipts of approximately \$127,000 annually from other U.S. Government agencies for special translations done by JPRS or the costs to Printing and Photography Division of printing FBIS publications.



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C. Between Inspections

The last full inspection of FBIS took place in 1968. An eight-day abbreviated survey was conducted in the Headquarters area in 1976 and at two domestic installations in 1977, primarily to ensure compliance with the laws and regulations governing Agency activities. While these inspections found that FBIS was a productive, low-cost, and well managed Agency component, the reports contained a number of recommendations on a variety of topics. Our inspection established that the changes which were suggested then have been implemented and that there were no hold-over problems we needed to address.

We did, however, encounter some objections to an IG recommendation in 1968 that FBIS stop all editing of texts that originate in English. Editors tell us that this often leads to awkward and in some cases misleading phraseology. We therefore suggest that FBIS use its good judgment in processing such texts.

The 11 years which have elapsed since the 1968 inspection have been momentous ones for FBIS. One major change resulting from the reorganizations of the Directorate of Intelligence and the Directorate of Science and Technology in late 1976 was the transfer of FBIS to the DS&T. Since

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FBIS had comprised a large part of the DI and the then DDI had drawn from it the resources to staff and maintain newly established DI components, FBIS anticipated that the DS&T, with its larger resources, would feel little need to intrude upon it for manpower and funds and would be better able to support its desire to automate portions of its work and assist in developing more technically advanced collection systems. The change did benefit FBIS in that it was no longer looked upon as the resource cornucopia for its parent component and it was pleased that the DS&T left it alone to manage its own affairs. However, FBIS believes that it has derived few of the anticipated technical benefits from its association with the DS&T, and the DS&T's focus on higher priority programs has resulted, in FBIS' view, in a less than ideal understanding of FBIS and its problems. Moreover, the change has attenuated FBIS ties with the rest of the Agency and has lessened some of the close relationships which formerly prevailed between FBIS officers and DI (later NFAC) analysts. Even so, on balance, almost all senior FBIS officers believe the shift from the DI to the DS&T has been helpful from a resources standpoint.

International events since 1968 and expanding and changing collection requirements have also impacted signifi-

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cantly on the FBIS overseas bureau structure and have required the constant attention of FBIS management; indeed, FBIS' overseas operations have been its major preoccupation. The following events, which are not all inclusive, illustrate some of the problems with which FBIS has had to cope.

- The Caribbean Bureau in Puerto Rico, which opened in 1965, closed in 1973 after proving unable to fulfill its expectations. This bureau has become known in FBIS as an expensive mistake.

- New collection requirements on the Southern Cone of Latin American necessitated the opening of a new bureau at Asuncion, Paraguay in 1973.

- FBIS' large Cyprus-based Mediterranean Bureau (Medbureau), which provided centralized coverage of the Middle East, was overrun by the Turkish invasion of Cyprus in 1974. This impelled FBIS to diversify its overseas operations (which included moving many of its foreign national monitors) into smaller units capable of providing some redundant coverage. In the case of the Mediterranean, the Medbureau collection tasks were assumed by TDY units at Athens, Beirut, and Tel Aviv. In 1975, events in Lebanon required forced closure of

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the facility there and permanent bureaus were established in Amman, Nicosia, and Tel Aviv. FBIS continues to maintain a TDY team at Athens, having been unable to date to obtain permission for a permanent facility.

- The Saigon Bureau was closed in 1975 when Saigon was overrun and coverage of Southeast Asia was assumed by the Bangkok Bureau, which had been established as a contingency back-up unit.

- The Hokkaido unit was also closed in 1975 and the Tokyo Bureau in 1976. Collection was diverted to the Okinawa Bureau and the newly formed Hong Kong and Seoul Bureaus.

- In 1976, the Kaduna, Nigeria Bureau was closed at the request of the Nigerian Government and FBIS coverage of West Africa was only resumed in 1979 when the Abidjan, Ivory Coast Bureau, was formed.

- The small unit in Cologne, Germany, which is subordinated to the London Bureau, was closed in 1973 and reactivated in 1979.

- During 1978 and 1979, intensified requirements for coverage of South Africa, Central Asia, Afghanistan, and Iran precipitated extensive efforts by FBIS to open new bureaus to cover these areas. After a number

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of abortive attempts detailed in the section of this report dealing with the Operations Group, the new Gulf Bureau on Bahrain was established in mid-1979.

- Reductions in the number of FBIS staff positions overseas coupled with the constantly increasing number of bureaus, required the conversion of staff administrative and engineering slots to foreign national positions.

- FBIS communications were updated through tie-ins to the Agency and Defense Department's satellite systems.

During the 11-year interval between major inspections, FBIS also gave attention to its Headquarters components. Among the problems it attempted to address were:

- integrating the former Foreign Documents Division (which is now FBIS' Production Group) into the rest of FBIS, improving career opportunities for linguists, and obtaining greater productivity from sub-components without additional personnel resources,

- improving the Joint Publications Research Service (JPRS) products,

- automating the Daily Report (the FBIS vehicle for publishing the information collected by the overseas bureaus),

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- ensuring that equal career opportunities were available to all employees and that there were more open communications between FBIS management and its personnel,

- handling new compliance, grievance, Freedom of Information Act (FOIA) and Privacy Act requirements.

How FBIS has coped with these and other challenges abroad and at home is treated in the various sections of this report.

## II. Effectiveness

During our inspection of FBIS, we found it to be a unique U.S. Government "service of common concern" which provides foreign, open source information effectively, rapidly, and in quantity to U.S. Government (USG) policymakers, analysts and researchers, as well as to non-government subscribers and even some foreign governments. FBIS' products are indispensable to a number of its Intelligence Community (IC) customers and of considerable utility to many others.

FBIS output is large. Printed and typescript production in an average month is approximately 30,000 pages, in addition to thousands of biographic, economic, and technical abstract cards. The 16 field bureaus and units wire-file to

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FBIS Headquarters about 231,000 publishable words a day; of these, approximately 40,000 are disseminated by the Wire Services Staff and about 137,000 are published in the Daily Report (DR). The field bureaus also provide directly many services to a host of "lateral consumers"--mostly U.S. diplomatic and military installations--around the world, as well as to U.S. delegations to SALT, MBFR, and other negotiations. Ad hoc arrangements are also made to service the President and other high U.S. officials during visits abroad, as well as U.S. negotiators at international conferences. Most of the FBIS product is unclassified. The July 1979 "Bibliography" of FBIS publications lists 56 regular issuances, ranging in periodicity from daily to quarterly, with considerable in-between variations. About six percent of the total printed and typescript output consists of classified translations for Agency components.

FBIS is justifiably proud of its ability to meet the increasingly numerous Community requirements on a timely basis and to manage its affairs economically. Even in these days of troublesome inflation, it remains a cost-effective bargain.

There are, however, factors--some external to FBIS and some deriving from its leadership and management--which

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impact adversely on FBIS' ability to maintain, expand and improve its services. These include:

- Its separation from the rest of CIA. Historically, FBIS has been not only physically located at a distance from CIA Headquarters, it has been separated psychologically as well. FBIS employees tend to see their work with open sources as sharply differentiating them from those in the Agency who deal with classified data. Some FBIS personnel also find the types of activities the Directorate of Operations (DO) conducts to be morally repugnant and they seek to distance themselves from them. Yet others tend to think of themselves primarily as FBIS rather than Agency employees and they see the Agency as a distant parent to whom they have thin ties and with whom they want a minimal relationship. On the other hand, there are many employees who would like to know more about the Agency and feel closer to it. The feeling of separateness from the Agency which runs through FBIS can be illustrated by the fact that, during our interviews of FBIS personnel, we found that some did not know the names of the most senior Agency officials, including their own directorate chief, the DDS&T. Others could

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not identify the DDCI. One officer, who was asked the name of the DCI, startled the inspector by responding, "Turner, I think." While this was an unusual case, it and the other examples point up the problem. The converse of this situation also pertains. Personnel in other Agency components, however much they may use FBIS products, tend to look down on FBIS personnel as out of the mainstream and consider FBIS' primary function of dealing with overt foreign media information as dull, mechanical, and less important than their own jobs. The result is that few Agency officers, even senior ones whose responsibilities include dealing with FBIS, are very interested in it, understand in any detail how it performs its functions, grasp the full extent of the contributions it makes to the Intelligence Community and other USG departments, or have a good concept of its problems and what is needed to resolve them. FBIS is left to "do its own thing." The effects on FBIS and the Agency of this isolation are found in this inspection report. While FBIS management has been aware of this separateness problem and has taken a number of steps to bridge the gap, greater intercourse--more natural and closer relationships--between FBIS and its

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parent directorate and the rest of the Agency (especially NFAC) is needed.

- The overt association of FBIS with CIA. Because of FBIS' open affiliation with CIA, foreign governments have refused to permit the establishment of new bureaus on their territory. Additionally, because of concern that an overt CIA presence will complicate U.S. relations with host governments or out of reluctance to expand the U.S. official presence in their areas of responsibility, U.S. Ambassadors have often slowed down or frustrated FBIS efforts to create new FBIS facilities to meet new Intelligence Community requirements.

- Lean staffing. The fact that FBIS is a service of common concern to the U.S. Government, not just to the Agency, has an impact upon FBIS staffing that may not be fully perceived. FBIS is constantly responding to an increasing number of requirements and requests from such USG entities as the Department of Fisheries and the Congress, as well as from Intelligence Community components, with a staff which has over the years been reduced considerably. Each requirement or request for information takes time to service. The reductions in staff positions in FBIS have strained its ability to

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expand overseas and meet the constantly increasing requirements and requests being levied upon it from within the Intelligence Community as well as from without. At some point--some knowledgeable FBIS officers say it is already at hand--FBIS will not be able to continue to accept new demands without shedding some on-going activities. In short, like others, it cannot forever do more with less. Something has to give.

- BBC problem. The BBC monitoring service provides a substantial portion of the FBIS radio-monitored product. Possible funding cuts and reductions in levels of BBC effort being considered by the U.K. government could impact severely on FBIS and require the development of alternative collection mechanisms at considerable cost.

- The unattractive nature of overseas service. The very real personal danger in serving abroad with FBIS, an acknowledged CIA component, is a source of concern to many FBIS employees, as is the dislocation or loss of income to working couples who cannot both be accommodated in FBIS bureaus overseas. The rising costs in U.S. dollar terms of living abroad is another

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dampening factor. Overseas service is clearly not as attractive to FBIS employees as it once was and this has led FBIS to adopt a directed assignment policy for editors at grade levels GS-13 and below which is vigorously enforced and somewhat controversial among employees.

- Rising costs of overseas operations. FBIS, as well as other USG and U.S. commercial organizations must grapple with costs which have grown dramatically in recent years. In some areas FBIS foreign national employees' salaries exceed that of their bureau chief.

- Funding problems. Agency budgetary constraints have resulted in the postponement of FBIS' efforts to automate the operations of its major production component, the Daily Report, a highly desirable objective for the reasons we note in our report on the DR. Funding difficulties have also caused the deferment of other projects designed to modernize and improve FBIS operations.

- Difficulty in recruiting linguists. FBIS has had difficulty in recruiting for its Production Group certain categories of linguists with skills adequate to meet its needs and those of the Directorate of Operations. Among the more pressing requirements are

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linguists skilled in Arabic, Farsi, and some of the East European languages, and Russian, Chinese, and Japanese linguists with scientific and technical backgrounds. FBIS has commenced sending its own recruitment teams to seek out suitable candidates. It needs to do more of this if Agency and Community needs are to be met.

A. Effectiveness of Management

We have previously recorded our finding that FBIS is an important and in some respects an indispensable service of common concern to the USG and that it has been managed in a way which makes it a cost-effective bargain even in these days of high inflation. We have also summarized some of the problems, especially overseas, with which FBIS management has had to deal in recent years and with which it has generally coped well. Much of the credit for this must go to the Director of FBIS, who at the time of the inspection, had held his position for six years, as well as to the number of capable, often highly talented officers, many of whom were recruited or developed under his aegis, who staff various FBIS components. Despite this highly positive note, we also must record that we found a variety of problems in FBIS, including some of long standing, which need resolu-

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tion. These are detailed in the various component and bureau reports which comprise this report.

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We also assessed leadership and management skills at lower levels during our inspection of the field bureaus and the various FBIS Headquarters components.

We found that field bureau chiefs exhibited commendable leadership of their staffs and that both U.S. and foreign national employees responded in kind. Bureau chief management skills varied, however. The basic work of the bureaus --the monitoring, editing and transmission of the product-- and their liaison relationships were very well handled and, for the most part, U.S. staff and foreign national personnel were properly and thoughtfully managed. The record on the administrative side, especially concerning financial matters, was uneven. The problems encountered often were a reflection of inadequate (or no) training at FBIS Headquarters or lack of interest on the bureau chief's part.

At FBIS Headquarters we found that while the Director of FBIS had personally adopted a consensual managerial style in dealing with major FBIS problems, he had also decentralized the day-to-day management of the staffs, groups,

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and their sub-components, the sole exception being the Operations Group which in practical terms was run by a triumvirate consisting of the Director and Deputy Director of FBIS and the group chief. The inspection disclosed that staff and group chiefs devoted much of their time to policy and resource management concerns and to participation in one or more of the numerous FBIS committees studying various projects and problems, and that their sub-components were often left to operate essentially on their own. Curiously, the same situation prevailed downward from level to level, leaving us with the conclusion that FBIS had many levels of managers but few supervisors.

With respect to the various senior Headquarters components, we found excellent leadership and managerial ability at the senior staff levels, including the Executive Planning, Budget and Finance, and Liaison and Requirements chiefs. The interim chief of the Administrative Staff had made a commendable start toward solving many of the problems with which his staff was confronted.

Among the major Headquarters groups the record was mixed.

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Branch chiefs and lower level supervisors varied greatly in their leadership and managerial capabilities. Many were excellent, talented, productive officers, while some others, especially in the Production Group, were supervisors in name only and had been placed in their positions as rewards for long and capable service as linguists rather than for their ability to oversee the work of others.

B. Effectiveness of Components and Operations

1. Office of the Director

The Office of the Director of FBIS (D/FBIS) includes the Director, Deputy Director (both retiring in January 1980) and their secretaries, an Executive and Planning Staff, and the Administrative Staff. In addition to his

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executive and administrative staffs, the D/FBIS relies heavily on his Management Committee of senior officers to study and recommend courses of action on a host of major and minor policy issues. He also uses such managerial tools as the Career Panels, the FBIS Advisory Team (FAT), newsletters, and periodic field trips for inputs into his decisions on operational and personnel matters. Although faulted for overcaution and lack of firmness in some managerial matters, such as pressing FBIS' case for new resource needs, the D/FBIS has been forward leaning in some areas. He has achieved, for example, an especially commendable equal opportunity record.

The Executive and Planning Staff (E&PS) serves as a broker for the Director and other top managers in preparing for their meetings, servicing their needs, including budget and other planning, and screening inputs to them. We found the staff as a whole to be highly competent. We believe, however, that the Liaison and Requirements (L&R) section of E&PS needs to take on a strengthened evaluative function, and we believe that the L&R Branch needs additional officers to enable it to conduct more regular, formal reviews and in-depth evaluations of the FBIS product, similar to those conducted by the DO and NFAC.

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Our interviews with members of the lean Administrative Staff left us impressed with the many hard-working people supporting Headquarters personnel and the overseas bureaus. \_\_\_\_\_

## 2. Operations Group and Field Installations

The Operations Group is responsible for the activities of 13 overseas field bureaus, two small field units located in Cologne, West Germany and Athens, Greece, and one domestic bureau at Key West, Florida. It also manages the Daily Reporting Division (DRD), which supervises the two primary Headquarters vehicles for disseminating the field bureaus' product--the Wire Service and the Daily Report--and prepares editors for overseas service. Two staffs, the Field Coverage Staff and the Engineering Design and Support Staff, facilitate field operations. \_\_\_\_\_

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Operations Group \_\_\_\_\_ is capably led by a veteran FBIS field officer, but he is, by his own admission, spread too thin. The majority of his effort is spent on the problems of the world-wide network of bureaus and units.

While we agree with the priority on field operations, we nevertheless found that long-standing problems in connection with Headquarters dissemination of the field product through the Daily Report are not getting enough attention. Early resolution of these problems, which have been much studied for five years without improvement, is one of the most pressing needs of the Operations Group.

The Wire Service is important to policymakers and analysts dealing with fast moving developments throughout the world, but its customers in Washington are limited and they receive only a selection--the most current or most newsworthy--of total bureau output world-wide. The printed and somewhat less timely Daily Report reaches a far wider audience and is the "bread and butter" of FBIS. Therefore,

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the existing situation, in which the Daily Reporting Division is unable to publish all of the material its editors select from the copy monitored by the field is disturbing and detracts from overall FBIS effectiveness.

The Daily Report problems are basically threefold: (1) inadequate staffing in terms of numbers and experience; (2) antiquated and inadequate methods of preparing the Daily Report for publication; and (3) the need for an automated field bureau and Daily Report production process.

The first two problems could and should have been solved by management long ago. It seems obvious that if it is worthwhile to have a world-wide monitoring and translating service, it is worth ensuring that the material collected is, at the very least, typed in a timely manner and disseminated promptly in the volume desired to Community customers. One suggestion we believe worth exploring is that newly recruited Agency clericals awaiting clearance be used to type the unclassified Daily Report material.

The Chief, Operations Group was instrumental in gaining approval for a study of the Daily Report done in mid-1979 by representatives of the Columbia Graduate School of Journalism. The resulting Trump/Conn study focused on alternatives to the present method of producing the Daily Report,

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on editing and publishing aspects including the rapid turnover of editorial personnel, and on the need for modernization of the editing and publishing process. Given the fact that FBIS lost about 25 percent of its total editorial complement in 1978, we heartily endorse the Trump/Conn recommendation that the problems affecting the Daily Report be addressed promptly.

The third problem--Daily Report automation--was tried in 1975, but was overly ambitious and failed. No substitute system has been implemented, although FBIS asked for additional resources for DR automation in both its 1978 and 1979 budget submissions. We are persuaded that automation would go far toward resolving many of the editorial, typing, and communications problems which have existed for so long. It would also bring FBIS into line with the 60 percent of U.S. newspapers which have automated their newsrooms. We further believe that FBIS management might have done more to press its case for automation. For example, had it included automation in its FY 1979 budget as an unfunded requirement, FBIS might have had reason to retain some or all of the [redacted] it lost to the DS&T for another component's needs and to reprogram the money for a start on automation.

Overseas, our inspectors found that field bureau leadership and morale are generally good, and that bureau

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operations are effective. Staff dedication is high, and in most bureaus, monitors are skilled and professional. There are some problems, however. Almost all bureaus, for example, express a need for regular feedback on their production efforts to help them see if they are on the mark. Editors note a lack of consistency in editorial procedures. Training programs, especially in supervision and financial management for new bureau chiefs and in foreign culture and language for editorial officers posted overseas, need to be improved. In addition, we believe that FBIS and the Office of Medical Services should look into an evaluation program that might identify staff and dependent suitability for overseas life before departure for the field.

We do applaud the 90-day TDY training program for new editors at the Okinawa and Panama Bureaus. Despite minor problems, the program provides a good test of aptitude and excellent training. We believe it would be beneficial if this program could be expanded so that all new editors could be accommodated either at Okinawa, Panama, some other bureau or, as some bureau chiefs propose, through some form of simulated bureau operations at Headquarters.

In Latin America, we found that radio coverage of Central America is spotty at best. There is a particular

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gap in coverage of El Salvador, Honduras, and Guatemala, all trouble spots. [REDACTED]

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[REDACTED] Key West Bureau would like to lease housing for its employees on the U.S. naval base but FBIS approaches to the Base Commander and the Navy Department have been fruitless. An approach by a higher level of the Agency to the Department of the Navy appears warranted.

We found no serious problems in East Asia, although editors at Okinawa Bureau believe that they must work night shifts too frequently. Bureau management problems concern mainly the administration of foreign nationals.

In Africa, we found that Abidjan Bureau's coverage was not of great interest either to the U.S. Embassy there or to many NFAC analysts at CIA Headquarters; in our opinion, this subject needs examination. FBIS opened the Ivory Coast Bureau mainly to fulfill its part of a long-standing agreement with the BBC to share African coverage and because of an opportunity at hand to replace the former Nigeria Bureau. Other prior needs for coverage in South Africa and Southwest Asia were frustrated, however, and coverage needs in Central America received inadequate attention.

We found that reception surveys have not always been conducted before new bureaus are authorized and established.

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In Bahrain, where FBIS appears to have moved quickly under high-level pressure from the Community to set up the Gulf Bureau, FBIS relied mainly on the results of reception testing in nearby Qatar. Generally speaking, other bureaus involved in Middle East coverage--Jordan, Tel Aviv, and Nicosia bureaus--are performing effectively and have good mutual back-up arrangements.

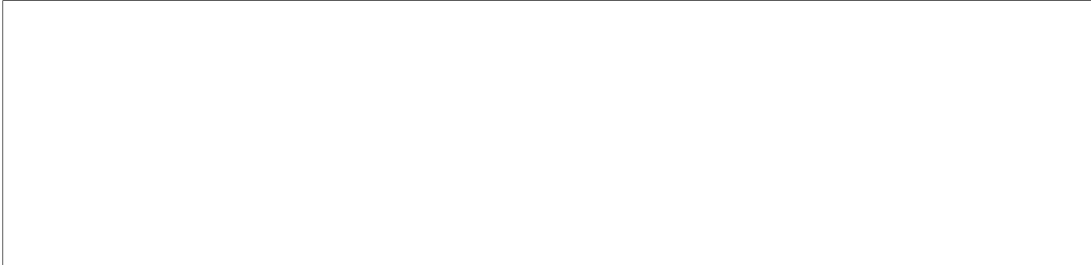
We noted, during our survey, that while FBIS has been looking into adequate back-up facilities for BBC coverage of Soviet, East European, some Middle East and African radio broadcasts, nothing has yet been brought into implementation. The Austrian Bureau, which currently shares some BBC East European coverage, has a troublesome problem--the high dollar cost of the foreign staff at the Austrian Bureau (because of the decline of the dollar in relation to the Austrian schilling)--which may soon compel FBIS to consider whether and how to replace bureau monitors as they retire.

For many of the reasons above, among others, we believe that FBIS needs to accelerate the development of remotely installed collection facilities. Although potentially feasible within the state of the art, remote automated monitoring by satellite would entail technical modification

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so far deemed too expensive and of too low priority to program in the near future.



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In general, FBIS can take comfort in the fact that its bureaus maintain good, if not always close, relationships with U.S. Missions overseas. Our reports note, however, that a problem area exists in the administration of foreign employees. This subject is discussed in greater detail later in this summary and in a special section concerning management of foreign nationals.

It is a credit to FBIS that the relationships of its field bureaus with host governments are of a high order. We found this to be true world-wide. FBIS relations with the U.K.(BBC)



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is a solid one, based on mutual need and shared cost, and we consider it in the

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Agency's interest to continue and encourage this close cooperation. The relationship, nevertheless, is vulnerable to such vagaries as British labor demands or U.K. budgetary cutbacks. We therefore believe that FBIS management must decide soon how it will pick up coverage now provided by the BBC should it be disrupted or terminated because of strikes, funding problems, or other BBC difficulties.

Despite its problem areas, we found that the Ops Group field bureaus and units are effectively collecting and disseminating a product important to customers. The problems of the Daily Report at Headquarters, however, detract from overall effectiveness, and need management attention, particularly as long as this publication represents FBIS to much of the Intelligence Community and to the world outside.

### 3. Production Group

The Production Group (Prod Group) at FBIS Headquarters translates, publishes and disseminates as a service of common concern selected material of interest to the U.S. Intelligence Community from foreign publications including press media. Prod Group also maintains an index of information on unclassified foreign translations available government-wide and performs special foreign language services of a classified or unclassified nature for other components of

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CIA and the Community. The Group's staff linguists screen foreign publications and select material for translation in response to requirements from the Intelligence Community. Most of the material selected is farmed out to independent contractors for translation under the auspices of the Joint Publications Research Service (JPRS), an off-premises component of the Production Group, and then disseminated in unclassified or "Official Use Only" JPRS publications.

On balance, we judge the Production Group to be doing an effective job. We are concerned, however, that it may be spread thin in trying to be all things to all people, and believe it could benefit significantly from a strengthened FBIS requirements and evaluation process.

The key supervisory personnel in Production Group are the program officers, who are the lowest managerial level and, in our opinion, very uneven in quality. Above them, Production Group managers at branch and division level seem almost totally preoccupied with managing resources and reporting accomplishments and appear very little involved with what their branches and divisions are actually doing or how they are doing it. Although many Prod Group members were confident of their mission and their product, many others--especially younger officers--questioned their own utility and expressed a need for greater guidance and feedback.

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We are concerned that unless management takes a more active role in both the quality of the product and the quality of supervision in Production Group, FBIS will lose many of its bright and well-educated younger officers--and the Agency much of its good language talent. We have therefore recommended that FBIS take steps to introduce a stronger mechanism for conducting regular reviews and evaluation of the Production Group's requirements and products, as well as steps to bring about stronger leadership and direction from Production Group branch and division managers.

#### 4. Analysis Group

The Analysis Group (AG) reads and interprets the media of Communist countries and publishes the weekly book, Trends in Communist Media, which analyzes reactions to international events and U.S. policy moves as registered in Soviet, Chinese, Asian, East European and other major Communist media. It also prepares and publishes studies in greater depth on Communist trends or reactions based on media analysis, and has the primary responsibility in CIA for compiling world-wide reactions to such events as the fall of Skylab. It also provides collection guidance to FBIS field bureaus and participates in the allocation of FBIS coverage resources.

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A scholarly atmosphere is found within Analysis Group, with highly qualified analysts--many at the doctorate level--preparing high quality intelligence. \_\_\_\_\_

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AG's procedural or conceptual problem involves the claim by some in FBIS that AG operates with a Cold War mentality. It has firm requirements for certain material from Communist media, including the full texts of speeches by key Communist leaders and full texts of articles and

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editorials from party journals or other official media. These requirements are called "mandatory texting" and are the cause of much controversy within FBIS. Some editors, both in Headquarters and in the field, feel that too much of the Daily Report is taken up with this material and that it edges out other items of current interest, especially material from the non-communist world. Whether or not, as many editors and foreign documents officers claim, mandatory texting is a legacy of the Cold War, it places a heavy burden on some field bureaus and Headquarters components and is an issue which FBIS management should continually reexamine as part of the entire requirements/resources/evaluation process. As an ancillary problem, we note that a considerable amount of FBIS manpower (both in Headquarters and at London and Okinawa bureaus) is tied up in the preparation of the Soviet and Chinese commentary lists appearing as a statistical appendix to the Trends.

### III. Employee Attitudes and Problems

As might be expected, we found that employee attitudes and morale vary widely in FBIS, with employees in the field tending to be more positive. We assess morale in the bureaus as good in spite of the decreased attractiveness noted earlier of serving overseas, not the least of which is

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danger of terrorist activity or mob violence. In Headquarters, our assessment is that morale is fair, but we found enough instances of poor morale to conclude that the subject still needs management attention. Leadership, or rather uneven quality of leadership, and the need for more effective feedback, are contributing factors, in our opinion. We also found both in the field and in Headquarters a widespread perception that FBIS leadership is overly cautious and does not make necessary management decisions. We found considerable unhappiness among Ops Group employees over the FBIS policy of directed assignments.

Overseas employee comments about schooling, health care, and housing indicated few problems of a significant nature. Most employees seemed relatively happy in all three areas. There were the usual complaints about rising costs--particularly those related to housing.

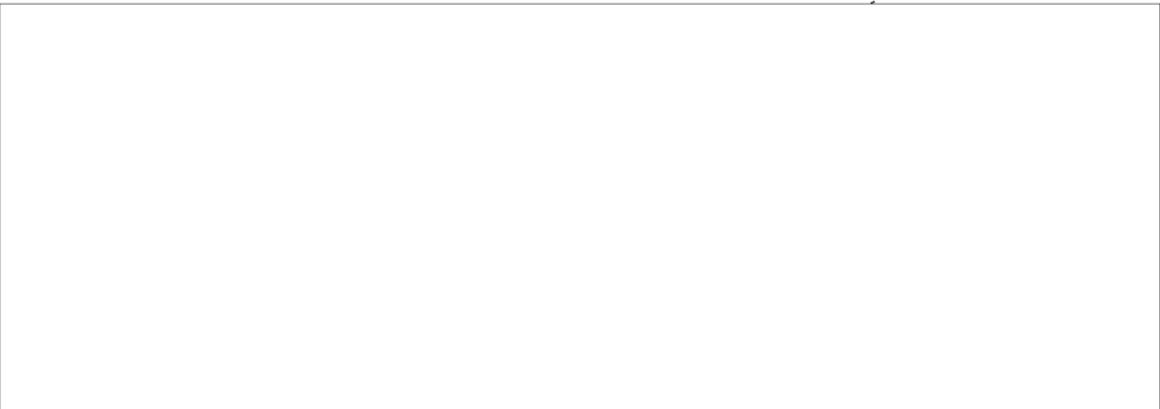
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V. Consumer Usage

U.S. embassies and U.S. military commands overseas almost uniformly praised the FBIS laterally-disseminated teletype material they receive. Some termed it "vital" while many others considered it "useful." There were a few exceptions, primarily in Okinawa and Abidjan, where interest was minimal. Reaction to the Daily Report books pouched abroad was uneven, and no overseas customers we interviewed found JPRS publications useful.

During our inspection, we circulated under the auspices of the Collection Tasking Staff questionnaires concerning FBIS products to various members of the Washington Intelligence Community. We found that the Daily Report books were regarded as unique, useful, and accurate, if somewhat drab, publications. Customers who have a need for the most up-to-date information are avid customers of FBIS wire traffic and are deeply appreciative of the service it

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provides. The Analysis Group publication, Trends in Communist Media, is well received by Washington analysts--both civilian and military--involved in Soviet, East European, and Asian Communist affairs. The Trends also received some favorable comment from the field, especially in East Asia.

#### VI. Compliance

The Liaison and Requirements Branch of the FBIS Director's Executive and Planning Staff handles matters of compliance and propriety stemming from the restrictions on intelligence activity as cited in Executive Order 12036

as well as those of particular concern to FBIS, such as copyrights. The IG survey of FBIS in 1976, which mainly dealt with compliance, raised some questions in regard to the existing restrictions on FBIS employment of U.S. media representatives and clergymen as independent contract translators. FBIS promptly addressed these concerns and was granted a waiver for this purpose.

The 1976 survey found that the knowledge within FBIS of the specific regulations governing propriety was spotty below senior management levels and recommended that FBIS "prepare a guideline specifically tailored to potential

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illegalities inherent in its operations."

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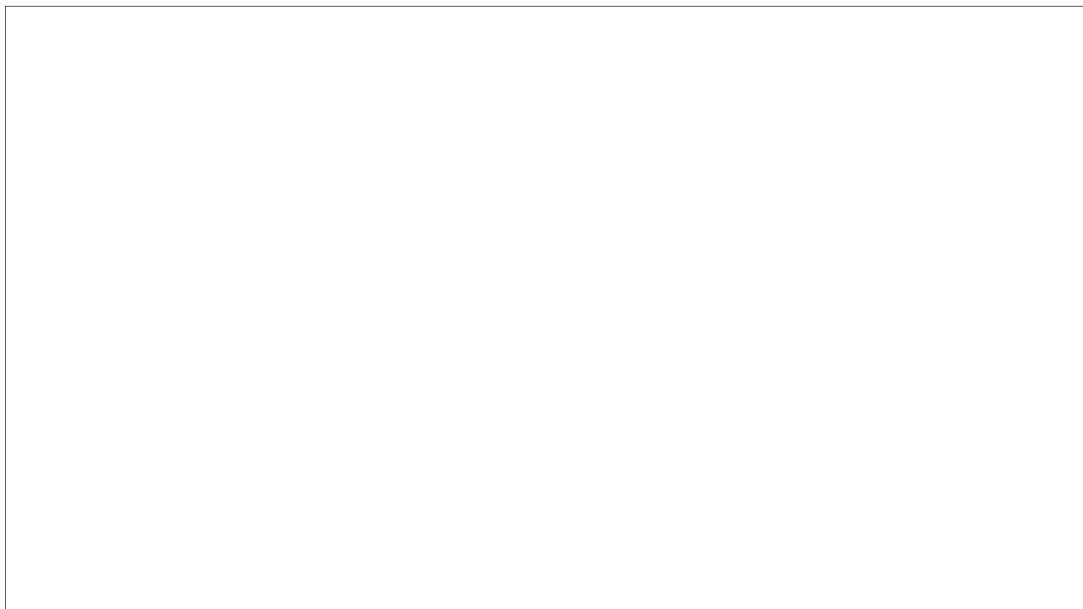
Our recent survey found few problems of a compliance nature and noted that FBIS management had been conscientious in its monitoring of areas where problems might arise. Most FBIS employees interviewed indicated a belief that FBIS management was highly sensitive to the subject of compliance. Although not all FBIS Headquarters employees knew the specifics of the compliance documents, most indicated that they knew enough to raise questionable matters with their supervisors. There were some employees, however, who admitted they knew nothing about compliance. Although FBIS management had circulated the compliance documents in FBIS Headquarters prior to our arrival, we found that not all employees remembered reading them, and a few confused them with the personal conduct regulation which circulates yearly.

In the field, we found that some bureaus filed copies of the compliance documents in reading folders containing

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all sorts of administrative paper. We also found that not all bureaus had all of the pertinent documents on hand.



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We suggest that FBIS Headquarters managers and the field bureau chiefs put all of their pertinent compliance documents in a folder separate from other administrative matters and circulate it at fixed intervals. We further suggest that the orientation program for new employees (including clericals and graduate fellows) include a briefing on compliance and that FBIS Headquarters work out an unclassified policy guidance statement for associate editors who work on field editorial desks.

#### VII. Personnel Management

Our survey report includes two special sections, "Personnel Management" and "Management of Foreign National

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Employees," which highlight topics touched on elsewhere in our report, but which we believe merit centralized, cohesive treatment. Our findings in these reports are summarized below.



A. Personnel Management

Each of the three groups within FBIS--Operations Group, Production Group, and Analysis Group--has its own identity and idiosyncrasies. In essence, this means that FBIS has three separate entities which do not completely mesh. We believe that this structure contributes to many of FBIS' personnel management problems, especially with regard to employee evaluations and assignments.

At the time of the survey, the FBIS evaluation system for promotion and certain other personnel actions was in the process of being modified. Memberships of ranking and evaluation sub-panels were being reduced and restricted to persons two grades higher than those being ranked. Written Performance Appraisal Reports, rather than oral input by supervisors, were to be emphasized as the true guide to performance. Sub-panels were to continue to make promotion recommendations to the top level Career Panel for approval.

Within the three FBIS groups, we found that opinions varied widely about these sub-panel modifications. Some

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employees were pleased that oral inputs no longer would be as compelling with the sub-panels. Others were concerned about the emphasis on the fitness reports, claiming that supervisors would no longer be able to push for recognition for deserving employees. Still others claimed that fitness reports were frequently "dishonest" and "oblique." The latter allegation was particularly prevalent in the Production Group where some branch and program chiefs were viewed by their subordinates as poor managers and poor leaders. Suffice it to say, both the past evaluation system in FBIS and the new modification to it came in for their share of critical comment. In the interests of ensuring a better personnel evaluation process, we suggest that FBIS place more emphasis on the writing of fair and impartial fitness reports, and that these be the primary reference for sub-panel as well as Career Panel considerations. In addition, FBIS should consider developing written criteria for promotion at each grade level and consider publishing a handbook (or some other means of communication) which explains these criteria and the procedures of the new panel evaluation system.

In recent years, FBIS management has attempted to break down the barriers between the disparate groups by assigning

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middle-level managers to positions outside their parent groups. For example, the Deputy Chief of the Analysis Group is from the Operations Group and the three current division chiefs in the Production Group are from other groups. Some junior officers from Production and Analysis Groups have been assigned to the field bureaus for rotational tours and Ops Group editors occasionally serve in one of the other two groups.

As might be expected, the practice of encouraging rotational assignments at the middle management level has not met with uniform acceptance. Some linguists, for example, opt to stay in Production Group for an entire career because they enjoy their work and worry about the erosion of their language skills if they accept rotational assignments. Moreover, we heard a constant refrain that the top jobs in FBIS go to those who come up through the editorial ranks, and there appears to be some substance to this observation. On balance, however, we found that FBIS management's practice of rotational assignments at the middle management level was beneficial.

B. Management of Foreign National Employees

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[REDACTED]

Many have served with FBIS

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since the 1950s or longer and all but a few appear to enjoy working for FBIS. There are basically two types of FBIS foreign national employees: the "local hire" who is generally but not always a citizen of the country in which a bureau is located, and the third country national (TCN) who is neither a citizen of the United States nor of the country involved.

We are concerned that FBIS has no comprehensive policy or plan to effect greater standardization of pay, to ensure uniformity of promotion criteria, or to settle other vexing problems it encounters in managing its foreign nationals. U.S. Government policy is for agencies operating overseas to follow local pay scales and practices in establishing pay and benefits for foreign national employees. In addition, the Foreign Service Act, Section 444 as amended, calls for agencies in the same foreign post to establish uniform wage and employment practices. Although FBIS strives to follow this guidance, it has nonconforming wage scales in its Bangkok, Vienna, and Nicosia bureaus stemming largely from past practices and local bureau decisions. Moreover, unique problems resulting from the evacuation and loss of its Mediterranean and Saigon bureaus have caused it to treat some problems on an individual basis. In our opinion

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FBIS needs to work toward greater conformity with embassy practices and toward a more consistent classification and pay policy for its own foreign nationals--especially its TCNs--world-wide.

FBIS' tendency to deal with foreign nationals on an ad hoc basis has had yet another effect: the failure to establish standard levels of performance for foreign national employees. In several instances, we found a reluctance to take note of or deal firmly with unsatisfactory foreign national employee performance. We believe FBIS should work toward uniform performance and promotion criteria for its alien employees and make these criteria clearly known.

Resolving problems on an individual basis has also had the result of encouraging expectations of FBIS paternalism on the part of foreign nationals. Several of those interviewed by the IG team mentioned some new benefit or favor which they felt FBIS owed them because of their long service or because employees elsewhere enjoyed the benefit. Many in FBIS believe that FBIS management has been more liberal and paternalistic in extending U.S. staff benefits to foreign national employees than is required by Agency regulations, particularly with regard to TCNs.

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Third country nationals (TCNs) present special problems for FBIS, which is virtually the only U.S. agency to use such employees. Although it is FBIS policy to hire locally monitors who can fill all of the language needs of a particular bureau, frequently qualified personnel must be recruited in third countries and moved to the bureau site. These TCNs get many of the overseas benefits of U.S. staffers and sometimes more since many also get the benefits of local hires, and pay no local taxes to boot. Because their own situations vary, some buy homes and spend their lives at the bureau site while retaining homeland ties; others lose such ties or are stateless. Their allowances and situations often vary from bureau to bureau and TCN to TCN with no logical or rational pattern.

The disparity of benefits between TCNs and locally hired employees doing substantially the same kind of work is a further cause of problems for the field bureaus. A goal of FBIS is to administer foreign nationals by applying the principle of equal pay for equal work. This goal is not being met, since TCNs invariably receive more benefits than do local hires, with predictable frictions. Although uniform pay schedules with standard rates of compensation have been studied through the years, no one within FBIS

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has successfully come to grips with the pay disparity problems.

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There have been various efforts through the years to solve the management problems of FBIS foreign national employees, but these studies have resulted in little real action to remedy fundamental disparities. The latest effort was the creation in November 1979 of a new Foreign National Panel. Our recommendations are that: (1) a Foreign National Coordination Officer be appointed by the Director of FBIS to coordinate matters affecting the administration of FBIS foreign national employees and that; (2) the Foreign National Panel--supplemented by officers from other CIA components and working closely with the Foreign National Coordinator and as necessary with the Department of State--examine the status of FBIS foreign national employees and make appropriate recommendations for change; and (3) that the Director of FBIS forward a report to the DDCI on management actions contemplated for solving problems that have long vexed the administration of foreign employees.

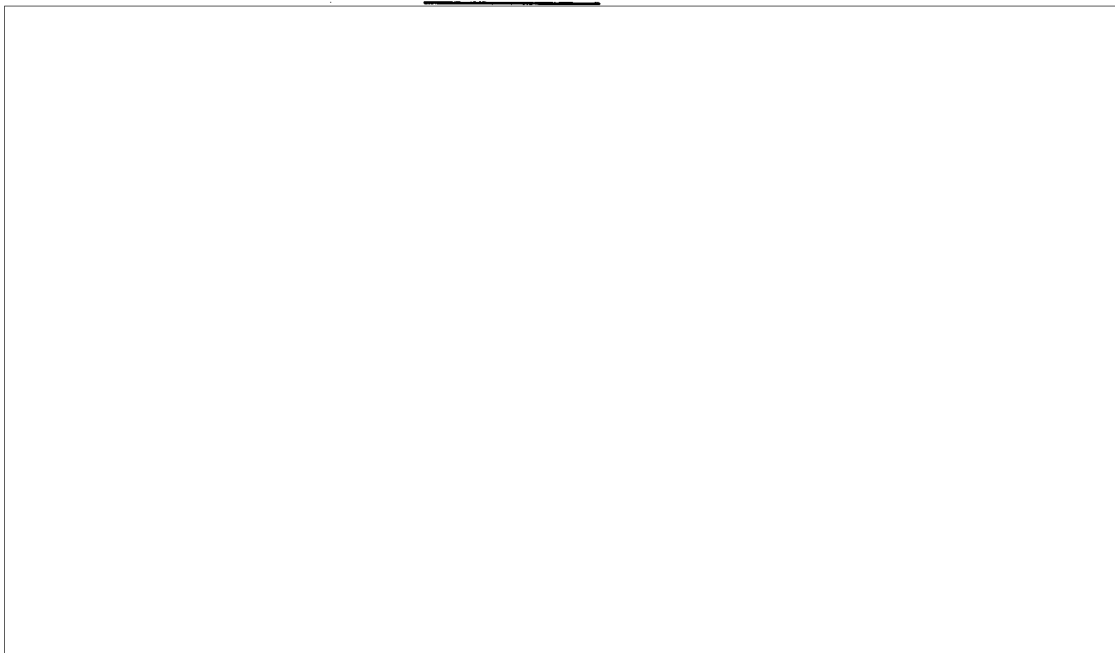
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VIII. Recommendations

Following are a number of recommendations applicable to FBIS as a whole or to a particular Headquarters component or field bureau. They are identified in brackets as to their source in the group or bureau reports. Other recommendations for action by the D/FBIS or his subordinates are contained in the individual group and bureau reports or topic papers.

We recommend that:

DCI ACTION



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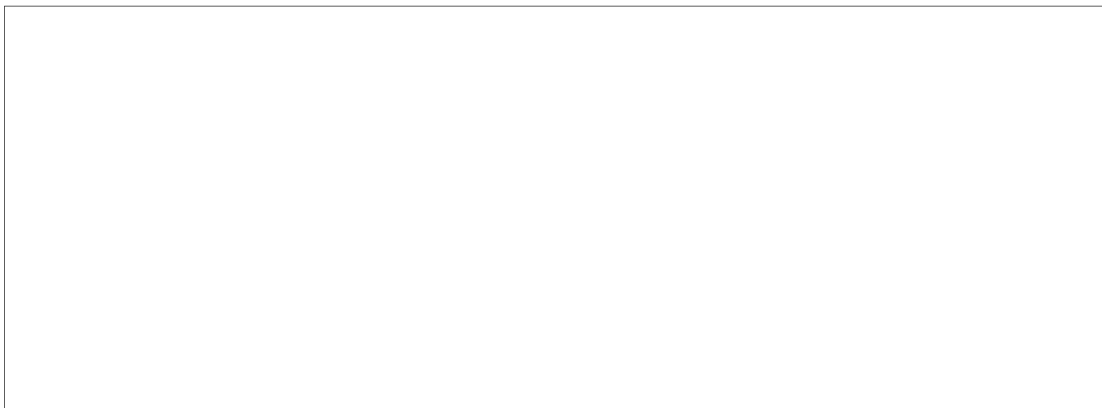
DDCI ACTION

B1: The DDCI require the D/FBIS to submit within three months of receipt of this inspection report FBIS plans for resolving the editorial staffing and typing problems of the Daily Report, pending automation. [See Operations Group]

APPROVED: Deputy Director of Central Intelligence

B2: The DDCI require the D/FBIS to submit within three months of receipt of this inspection report FBIS plans for solving the problems relating to the management of  foreign national employees of FBIS. [See Management of Foreign National Employees]

APPROVED: Deputy Director of Central Intelligence

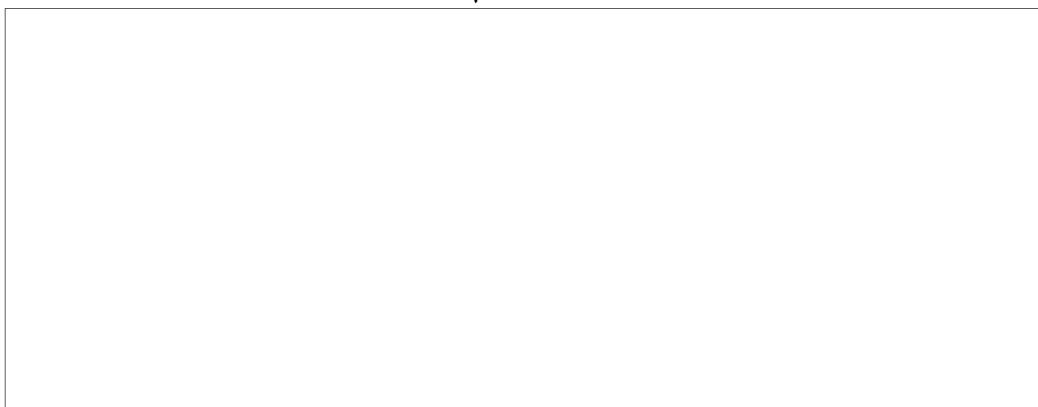


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DDS&T ACTION



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C2: The DDS&T and D/FBIS pursue with the DDCI at the policy level of the Department of the Navy the FBIS need for use of housing at the U.S. Naval Base, Key West. [See Key West Bureau]

D/FBIS ACTION

Operational

D1: The D/FBIS take action to enable the Liaison and Requirements Branch to conduct regular and effective evaluations of the FBIS product including JPRS. [See Office of the Director and Production Group]

D2: The D/FBIS, as part of a regular requirements/ evaluation process, review the Analysis Group's needs for extensive "mandatory texting" and for the Moscow-Beijing commentary lists (including the role of the Tabulation Unit at the London Bureau) and resulting statistics. [See Analysis Group and London Bureau]

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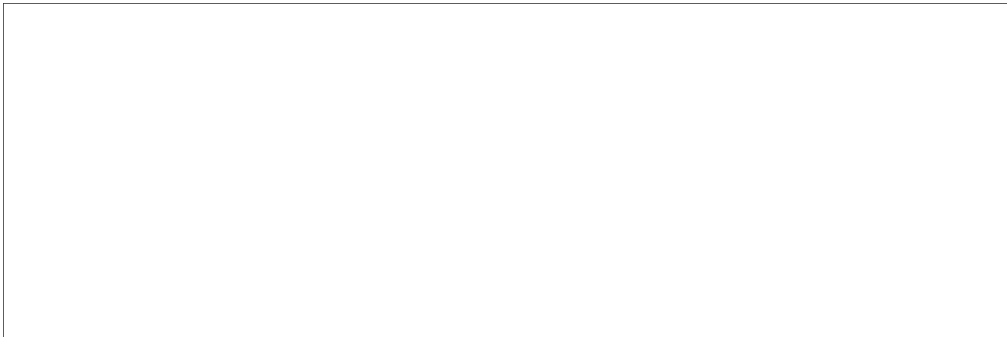
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D3: The D/FBIS develop alternative means for covering those radio broadcasts from the USSR, East Europe, Middle East and Africa now handled by the BBC. [See Operations Group]

D4: The D/FBIS establish a policy that reception surveys be conducted before new FBIS bureaus are opened. [See Nicosia Bureau and Athens Unit]

D5: The D/FBIS take steps to improve radio broadcast coverage of Central America (particularly of El Salvador, Honduras, and Guatemala) to ensure that policymaker and analyst needs are met. [See Operations Group and Panama Bureau]



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D7: The D/FBIS direct a survey of U.S. embassies in West Africa and customers in Washington to determine to what extent the Abidjan Bureau's coverage meets or exceeds their needs and adjust the bureau's requirements accordingly. [See Operations Group]

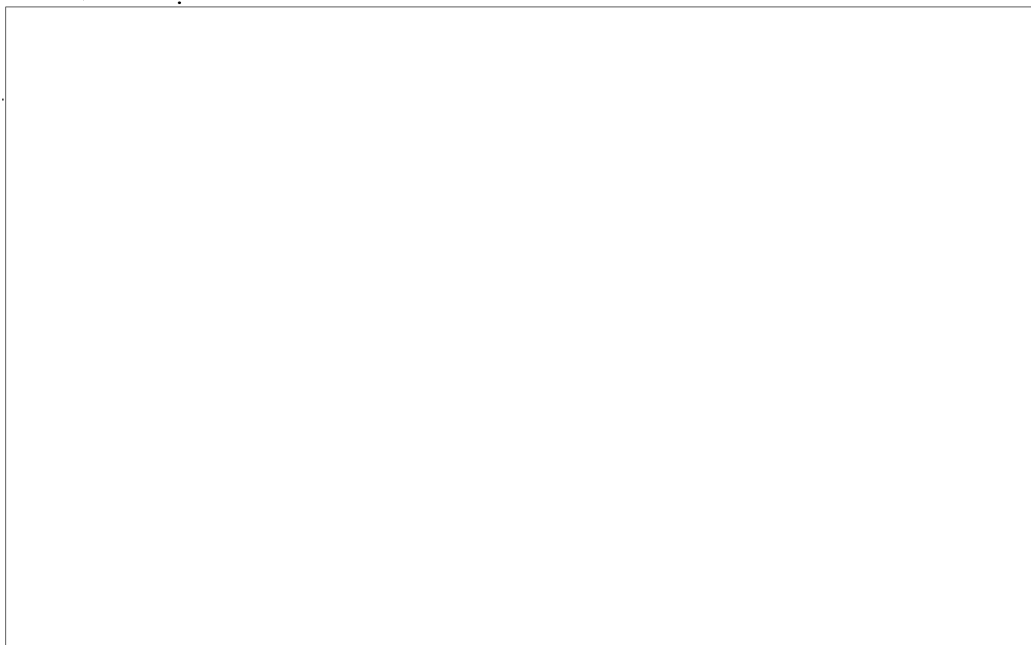
\*See Paragraph 3a of FBIS Comments (Tab A)

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D8: The D/FBIS continue to monitor closely the dollar costs of FBIS operations at the Austrian and Okinawa Bureaus--especially the costs of foreign national employees--with a view to determine if some parts of the bureau mission may be cut back or performed efficiently elsewhere. [See Austrian Bureau and Okinawa Bureau]

D9: The D/FBIS institute a system for providing regular feedback to field bureaus on the substantive and editorial quality of their reporting. [See Operations Group]



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Personnel

D11: The D/FBIS extend the directed assignment policy now in effect for FBIS employees below grade GS-14 to all officers in grades GS-14 and above eligible for overseas assignment. [See Nicosia Bureau]

D12: The D/FBIS develop training programs to assist newly appointed bureau chiefs and their deputies in the areas of supervision and financial management and to familiarize new editors with field procedures and area background--and to provide, as required, some language training for employees and their spouses--before they depart for overseas service. [See Operations Group, Panama, Bangkok, Hong Kong and Paraguay Bureaus]

D13: The D/FBIS review with the Medical Staff the possibility of establishing an evaluative program to assist in identifying staff and dependent suitability for overseas life before PCS departure for the field.

D14: The D/FBIS consider publishing a handbook which explains promotion criteria and the procedures of the new panel evaluation system. [See Personnel Management]

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D15: The D/FBIS require the C/Production Group to strengthen the supervisory responsibilities of division and branch managers within Production Group with regard to both performance standards of personnel and the quality of their product. [See Production Group]

D16: The D/FBIS and the C/Production Group explore ways in which to encourage more effective use of and greater recognition of the unique talent and knowledge of some officers in the Production Group. [See Production Group]

#### Compliance

D17: The D/FBIS issue unclassified written directives defining the authority of foreign national associate editors, including policy guidance to enable them to cope with most of the selection and dissemination problems that may arise while they are exercising their responsibilities. [See Nicosia and Austrian Bureaus]

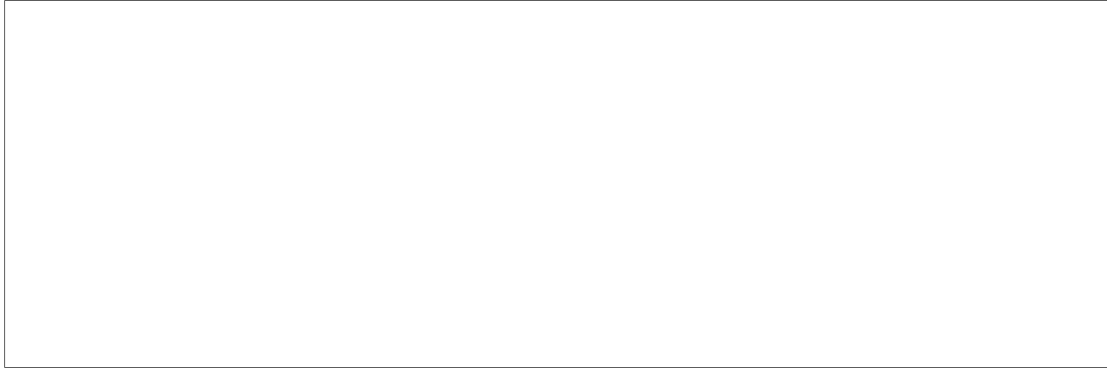
#### Security

D18: The D/FBIS require Headquarters components and field bureaus to pay increased attention to the safeguarding of classified material, including the reduction of field holdings to the maximum extent feasible. [See Operations Group]

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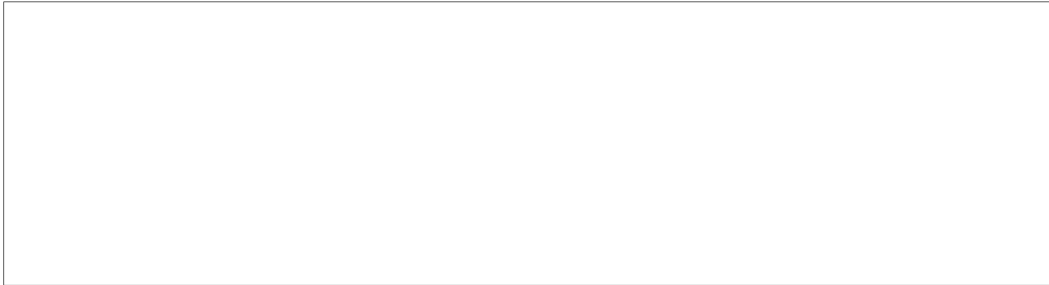
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Foreign National Employees

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D21: The D/FBIS appoint a Foreign National Coordination Officer to coordinate with appropriate components of the Agency and with the Department of State, as necessary, on matters affecting the administration of FBIS foreign national employees. [See Management of Foreign National Employees]

D22: The D/FBIS expand the FBIS Foreign National Panel to include the Foreign National Coordinator and invite other appropriate Agency components to appoint representatives to the panel in order to examine the status of FBIS foreign national employees world-wide and to make appropriate recommendations for change. [See Management of Foreign National Employees]

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Other

D23: The D/FBIS arrange for safety inspections at FBIS Headquarters to include certain offices of the Production Group, such as the USSR Division and the JPRS printing shop, and the Research Branch of the Analysis Group. [See Production Group and Analysis Group]

D24: The D/FBIS determine the propriety of sanitizing Agency regulations for dissemination as FB's and determine if more effective and efficient options are available than the duplication of effort now involved. [See Bangkok Bureau]

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### Personnel Management

#### Background

When FBIS absorbed the personnel and duties of the former Foreign Documents Division (FDD) in 1967, it gained the expertise of many qualified linguists whose work with foreign press and publications was to complement the radio and press monitored product already being turned out by the field bureaus. The former FDD employees were put into a separate functional group in FBIS--the Production Group--with its own geographic divisions and branches. The small Analysis Group was later given co-equal status with the Operations Group and the Production Group, giving FBIS three separate functional groups, all internally organized along geographic lines.

The fact that there are three distinct groups within FBIS, each with its own identity and idiosyncrasies, contributes to many of the personnel management problems which FBIS currently faces. In essence, FBIS has three separate entities which do not completely mesh. Although FBIS management has made valiant efforts (some of them successful) to integrate the groups, a feeling of separation still persists and as explained more fully below this impacts on almost every area of FBIS personnel management.

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Evaluation System

At the time of the survey, the FBIS evaluation system for promotion and other selected personnel actions was in the process of being modified. As noted earlier in this report, the need for modification arose from concern on the part of the DDS&T (based on information in the NAPA study) that FBIS was devoting too much manpower to panel deliberations. Accordingly, the sub-panels were to be re-configured so that fewer members would be doing the evaluations, and all members on a given panel would be two grades higher than those being ranked. The sub-panels would continue to make promotion recommendations to the FBIS Career Service Panel for approval, but there would be much less opportunity for supervisory input except in the form of written comments, including those on fitness reports.

We found that employees had mixed feelings about the proposed system. Some were concerned about the fact that sub-panels would be far more dependent on the written record than had been the case in the past when supervisors had been able to "fight" for recognition of their employees. Others were pleased to see that supervisors would no longer have a major oral input at the sub-panel meetings. This results from a feeling on the part of some employees that they can

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be "done in" at the sub-panel meetings by comments of which they are unaware and which they cannot refute.

In addition to fitness reports, FBIS had used a complicated written "balloting" system whereby all employees of a certain grade were evaluated for potential, including promotion, by senior officers who knew them. (We found that middle managers in the groups had a difficult time explaining this system to us.) This system too was in the process of being modified because many employees felt that it was a popularity contest and benefited those who had held a variety of jobs and thus were well known. Production Group employees, who tend to work in the same area, felt penalized. With the new Performance Appraisal Report--which includes a section on potential--we assume that FBIS will not re-institute a separate "balloting system."

We continually heard comments to the effect that some fitness reports (especially those of problem cases) were "dishonest" and "oblique". We found this complaint to be especially prevalent in the Production Group where some branch and program chiefs were viewed by those they supervise as being poor managers and leaders. The feeling was widespread that these supervisors have their jobs solely because of longevity and that FBIS management will take no

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action to weed them out, especially because the written record would hardly substantiate any adverse action. While realizing that these supervisory employees have important language skills, their performance is leaving a bad impression on more junior employees, who see a lack of supervision and leadership. We believe that this is an area demanding the attention of senior FBIS management.

There is a separate sub-panel system for evaluating FBIS clerical employees. Essentially, supervisors recommend clericals for promotion (depending on available headroom) and the panel passes on these. Here too FBIS had used a separate "balloting" system which may be superfluous now that the new Performance Appraisal Reports are in use.

As the new panel evaluation system gets under way, we would strongly urge FBIS to consider a handbook describing its workings, along the lines of the publication done by the Career Management Staff of the DO. (We believe that the DS&T handbook, while useful, could be supplemented by a special FBIS publication.).

We found that the use of Letters of Instruction in FBIS was uneven. Some employees noted that these were considered "pro forma" in FBIS. With the advent of the Advanced Work Plan, we would hope that all FBIS employees would have a clear-cut idea of exactly what is expected of them.

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## Assignments

The only significant problem we encountered on the subject of assignments pertained to the policy of "directed assignments" to the field bureaus, which some employees felt was being unevenly applied. The level of criticism was mostly that of editors with one or two field assignments who resented the fact that more senior officers could safely turn down assignments whereas their own careers in FBIS could end for doing the same thing. We found that the new editors, by and large, were willing to wait their turn in getting their first field assignments and that they understood FBIS procedures for making such assignments. There was some resentment on the part of some Production Group employees about being assigned to JPRS; we found that many of those who actually served a tour there liked it very much and some preferred it to working in Production Group headquarters. There was a good deal of unhappiness on the part of the clericals assigned to the Consolidated Translation Service (CTS) but, as noted elsewhere, this was due to the supervisor, rather than to the work itself.

In recent years FBIS management has made a special effort to break down the barriers between the groups by assigning middle level managers to positions outside their

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parent groups. For example, the deputy chief of the Analysis Group is from the Operations Group and the three division chiefs in Production Group (at the time of the survey) are from outside. Some of the junior officers in the Production and Analysis groups are in the process of being assigned to the field bureaus for rotational tours. FBIS employees are made aware of the openings in their grade and can apply for them. Some linguists, quite understandably, prefer to spend their careers in Production Group because they like the work there and because of concern that their language skills may erode while they are away on rotational assignments.

The practice of encouraging rotational assignments at the middle management level has not met with uniform acceptance. As noted in the Nicosia Bureau report, there was resentment in the field that a GS-14 Analysis Group officer with no field experience had been selected to head that bureau; this assignment has since been cancelled for unrelated reasons. In Production Group, we heard many expressions of concern that the three division chiefs were "birds of passage" from outside of the Production Group. Many linguists noted that morale in their Group would improve if "one of their own" were to reach the division chief level.

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(It is interesting to note that two of the three division chiefs at the time of the survey had started out as linguists in FDD and then moved on to a variety of assignments.) And we heard the constant refrain that the top jobs in FBIS go to those who came up through the editorial ranks. We found that junior officers in the Production and Analysis groups had pretty much accepted the fact that they had to eventually take one or more assignments outside of their group if they wanted to "get ahead." While some were reluctant to do this (because of considerations spelled out above), many saw the need for a more broadening experience than that provided by their parent group. If some of the problems of the Daily Reporting Division could be solved, it is possible that more officers from Analysis and Production groups could serve there on a regular basis.

In interviewing in FBIS, we were struck by the high percentage of employees who had never worked anywhere else in the Agency other than FBIS or FDD. It was interesting to see that some FBIS employees have obtained rotational assignments in NFAC, and in the CIA and White House Operations Centers. An Analysis Group employee spent the summer at the State Department's Bureau of Intelligence and Research working on Chinese matters.

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Aside from the rotational assignment of an OSO engineer to FBIS, there is not much interaction between FBIS employees and their parent directorate. Some FBIS employees were disturbed by this and noted that they wished that there were regular opportunities for rotational assignments to DS&T, especially in the front office where managerial skills could be developed. Some of the middle managers in FBIS would like more exposure to senior officers in the DS&T. In all three FBIS groups, officers noted that they would like to see NFAC vacancy notices circulate on a regular basis.

Aside from the lack of training for some new editors and bureau chiefs, we found few complaints about training in FBIS. Most employees were pleased by the training opportunities afforded them. There was an undercurrent of resentment on the part of some employees that officers were being sent to senior schools for what they viewed as reasons of "prestige."

#### Career Counseling

Most FBIS employees stated that they could obtain career counseling from within their respective groups or, if necessary, go to see the Director or Deputy Director, FBIS.

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Many employees commented on the fact that senior FBIS management had an "open door" policy and cared about FBIS employees. (As noted in the discussion of the directed assignments policy, some employees felt that FBIS senior management was too caring about employees and that they should enforce a tougher (and all embracing) assignments policy.)

The FBIS Career Management Office got mixed reviews. Some employees noted that they had been helped by the Career Management Officer while others noted that her involvement in the evaluation process made her a "tool of management" and thus they were reluctant to confide in her. Most FBIS officers noted that career planning was largely a "do it yourself" proposition--a situation with which they could live. Some officers, however, definitely would like more career guidance. Some employees expressed the desire to have a career management officer from outside FBIS. We did not see any indication that FBIS employees would go to the DS&T Career Management Office for advice. Despite these considerations, we noted that FBIS employees did find jobs in other parts of FBIS and in other parts of the Agency.

Prior to May 1979, the FBIS Career Management Office was part of the Executive and Planning Staff. We heard a

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variety of reasons for its move to the Administrative Staff, including the plan of PMCD to downgrade the position of the Chief of the Administrative Staff unless the Career Management Office were added to his responsibilities. (The Budget and Fiscal Office had earlier been moved to the Executive and Planning Staff, thereby considerably reducing the responsibilities of the administrative chief.) As of the time of our survey, the move of the Career Management Office to the Administrative Staff had not been salutary. Physically separated on the fourth floor from the front office and the office of the administrative chief on the 10th floor, the two employees of the Career Management Office had almost no relationship with either. The then Chief of the Administrative Staff did not hold regular staff meetings and it was only through informal attendance at E & PS staff meetings that the Career Management Officer learned of FBIS-wide developments. Although a member of the FBIS Career Service Panel, she no longer had ready access to the FBIS Director's "log". Even though her location on the fourth floor afforded some additional privacy to employees who wished to see her (and this was one reason given to us for the move), the Career Management Officer was concerned that her enforced isolation from the front office might give

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employees the idea that the function of her office had been downgraded. Although there appear to be some valid reasons for the Career Management Office to be associated with the personnel office (which comes under the Administrative Staff), we noted that most important personnel decisions are made by the Deputy and Deputy Director of FBIS; the Career Management Officer, under the current arrangement, feels cut off from them. We suggest that FBIS management look into this problem.

#### Clerical Management

Although much of the FBIS collection effort is done overseas, unlike the DO, there are no opportunities for FBIS clerical employees to serve there. (The secretarial and administrative work of most of the bureaus is handled by the bureau chief, assisted by foreign nationals.) This means that many of FBIS clericals are confined to jobs with fairly limited parameters and never get the opportunity to become "Gal Fridays". Many of them are resigned to spending the rest of their careers in Key Building or in the JPRS office.

There is a career management assistant in the Career Management Office who, in addition to counseling clericals, is involved in running the two clerical evaluation sub-panels. (She chairs the GS-03/06 sub-panel.) At the time

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of the survey, this employee was new to the job but, having been an FBIS secretary herself, should have a good understanding of the concerns of the clericals. We believe that FBIS has been wise to include the counseling of clericals under the Career Management Office rather than leaving this totally to the personnel office where turnover is high.

There is a voting clerical member on the GS-07/08 sub-panel and two clericals serve as advisors on the GS-03/06 section. There is also clerical representation on the FBIS Advisory Team. Despite these steps, some of the clericals we interviewed felt that they were not treated very well; this was especially true in the Consolidated Translation Service and to some extent on the Managing Editor Staff. Others said they were ignored by their supervisors and FBIS senior management. The most generalized complaints we heard were lack of recognition and the lack of opportunities for those who wanted to advance, yet were at the top of their grades. We note that FBIS has done a good job of circulating vacancy notices for clericals and that several FBIS former secretaries have advanced to non-secretarial positions, mainly in the requirements field and in AG's Research Branch. As the Agency-wide upward mobility program gets under way, we would encourage FBIS to

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make a special effort to see that its clerical employees are briefed on it.

EEO

We found that professional women were fairly well represented at all levels of FBIS. Professional women were serving in all three groups of FBIS as well as the front office, with approximately 20 percent in grades GS-13 to GS-15. There are two women supergrades in FBIS, which is 28 percent of the total. At the time of the survey, two of the three group chiefs were female [REDACTED]

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[REDACTED] Other important jobs held by women in FBIS include: chief and deputy chief of the Daily Reporting Division; Career Management Officer, chiefs of Middle East and China branches in the Analysis Group, the bureau chief in Asuncion, and deputy bureau chiefs in Nicosia and Amman. Women are well represented among the newly hired editors and we did not find any field bureau reluctant to take women. By and large, we found the professional women quite pleased with career opportunities in FBIS; those who had difficulties identified them as being related to management problems in the group in which they worked rather than discrimination. On the other hand, we received some complaints from

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male employees that FBIS senior management had gone too far in its EEO program by pushing some women undeservedly.

We also heard several expressions of concern about the Agency's policy on nepotism which, in effect, precludes FBIS couples from working at the same field bureau if one would have a supervisory relationship to the other. We suggest that FBIS might wish to discuss this area with the Operations directorate which, in some cases, has been able to continue to assign working couples abroad without violating the regulation.

Professional black employees are also quite well represented in FBIS. They are five percent of the total professional work force in FBIS and are employed in all three of the groups and the front office; one has recently taken a rotational assignment in the DS&T. FBIS would like to receive more black applicant files. The Deputy Director reviewed those files which had previously been rejected, with positive results in several cases. [REDACTED]

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[REDACTED] Most of the black women are in non-professional jobs; many of these were especially concerned about the lack of opportunity to participate in formal upward mobility programs. (At the time of the survey, the upward mobility program had not

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been implemented Agency-wide.) Of all the employees in FBIS, they probably need the most help and career counseling.

Asians and Hispanics are mainly in the professional ranks, five percent and three percent, respectively, of the FBIS professional work force. The foreign national ranks are, of course, made up of employees of many ethnic backgrounds. If these employees were counted in the FBIS EEO statistics, the record would be even more impressive.

Grievances

In interviews in FBIS Headquarters, JPRS, and the field bureaus, we found that the grievance procedure for U.S. employees was quite well understood. However, as of the time of the survey FBIS employees were not familiar with the procedure established in March 1979 (and spelled out in Book Cable 404972) which established a grievance privacy channel for use by employees outside of Headquarters. We suggest that FBIS re-issue this message to its field bureaus.

Because of the very crowded conditions in Key Building, many supervisors, personnel officers, and even one of the FBIS grievance officers, did not have private offices in which to counsel employees. While realizing that FBIS

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cannot do much about the space constraints (and aware that some reconfiguration of offices is in the offing) we would urge FBIS management to give attention to the problem.

In recent years, FBIS management has been innovative in attempting to communicate with its employees, including "parish visits" by senior officers to the various groups, surveys regarding morale and working conditions, establishment of the FBIS Advisory Team, and the circulation of an FBIS newsletter. Although some employees were critical of their fellow employees on the Advisory Team as being concerned with mundane matters, most were appreciative of these gestures by management. We would encourage FBIS to continue this type of dialogue and, where feasible, increase it.

#### Summary and Findings

We found that the absorption of the FDD linguists into FBIS and the continued compartmentation of employees into three distinct groups contributes to many of the personnel management problems FBIS faces, especially in the areas of employee evaluation and assignments. We believe that FBIS management is on the right track in moving its middle level managers around from group to group. There is confusion surrounding the location and role of the Career

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Management Officer. Clericals are concerned about the lack of greater opportunities for upward mobility. FBIS' EEO record is good and the grievance process well understood. Communications have been innovative and are appreciated by employees.

Recommendations\*

We recommend that:

- The D/FBIS strengthen the integrity of FBIS fitness reports.

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\*Recommendation D14, included in the Executive Summary, applies to this section as well.

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Management of Foreign NationalsBackground

FBIS has  foreign national employees, ranging from associate editors and monitors to technicians and administrative support personnel. For the most part, they are hard-working and capable. The majority of them, for example, do regular shift work, need very little guidance, and appear to enjoy working for FBIS. Indeed, many have been with FBIS since the 1950s and 1960s and some for even longer. They have performed loyally for FBIS, even when their own governments and countries have been in turmoil.

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FBIS senior management regards its foreign employees as the backbone of the organization. This appears particularly true of the monitors, who in almost every field bureau except Key West are exclusively foreign nationals. FBIS performs two kinds of monitoring--radio and TV voice broadcasts and press and other printed media--and in most bureaus, the same monitors do both activities. In broadcast monitoring, however, native fluency in the language being monitored is almost essential, along with a good command of English; this often means that qualified monitors, especially in more exotic languages, are difficult to find. During our survey, we found that many embassies and consulates

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were heavily dependent upon the FBIS bureaus for translation skills that were acknowledged as the best available to the entire U.S. Mission. We found, as a rule, that FBIS monitors were well-educated, often well-traveled, and usually well informed about the culture and politics of the areas they were covering.

For most bureaus, the foreign nationals provide the necessary continuity as the U.S. staffs come and go. FBIS contends that its overseas operations would be far more expensive if it were to use Americans--even assuming that qualified American linguists, were available--in place of its foreign national employees. In recent years, FBIS has turned increasingly to the hiring and training of promising foreign technicians to staff its engineering needs overseas in order to hold down operational costs.

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There are basically two types of FBIS foreign national employees: (1) the local hire who is generally, but not

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always, a citizen of the country in which the bureau is located and (2) the third country national (TCN) who is neither a citizen of the United States nor of the country involved. The TCN usually is a monitor recruited abroad when a particular language need cannot be filled through local hiring. There is another unique kind of foreign national employee in Okinawa where  Master Labor Contract (MLC) employees, mainly in sub-professional positions, work for FBIS but as actual employees of the Japanese government made available to FBIS through a contract with the United States military.

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Two types of appointments exist for alien employees: Indefinite and Excepted. Under either type of appointment, the foreign national is considered an employee of the U.S. Government, but employees serving under an Indefinite Appointment are excluded from the Civil Service Retirement (CSR) system. Whenever the local U.S. Mission excludes CSR coverage, all local hire employees are given "Indefinite Appointments," but TCNs may opt for CSR coverage and be offered Excepted Appointments.

The Director of FBIS is now the approving officer for nearly all FBIS personnel actions--a policy which is somewhat less than popular with many field bureau chiefs

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who remember having more autonomy and authority in the old days. For new alien employees, a three-year trial period is in effect. The Director, FBIS has been delegated authority from the DCI to terminate alien employees during the first year of this three-year period, but approval of the DCI must be sought after the first year. New foreign employees are generally hired at the minimum rate of their grade except for transferees from other U.S. Government agencies and applicants with extraordinary qualifications, such as language capability. FBIS does require annual fitness reports on its foreign employees although exceptions were noted.

Overall U.S. Government policy for establishing pay and benefits for foreign national employees is that executive agencies overseas should follow local pay rates and customs. In addition, the Foreign Service Act, Section 444 as amended, expresses the sense of the Congress that all U.S. agencies in a given U.S. overseas mission should establish uniform wage rates and employment practices.

Accordingly, it is FBIS policy to follow local Embassy Foreign Service National (FSN) wage schedules for the foreign nationals in FBIS bureaus to the extent feasible, in addition to getting the concurrence of the Position Manage-

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ment and Compensation Division (PMCD) of the Office of Personnel (OP). In practice, however, there is considerable deviation from this policy. FBIS, for example, has nonconforming wage scales in its Bangkok, Vienna, and Nicosia Bureaus, deriving from past local situations and practices. In general, PMCD does not object to these nonconforming wage scales provided that the Embassy concerned accepts them, as has been generally the case until recently. During the past year, wage survey and position reclassification teams from the Department of State have tried to bring FBIS bureaus more into line with local Embassy practice. PMCD supported the Austrian Bureau's nonparticipation in the Department's Vienna survey in mid-1979, while at the same time, it questioned a nonconforming Austrian Bureau practice of basing retirement contributions of foreign employees on their gross rather than base salaries. As noted in our Seoul Bureau report, the bureau chief there, following a similar PMCD survey in March 1979, refused to accept a State Department team's recommendation in July for a downgrading of certain FBIS foreign positions, while at the same time endorsing State's recommended pay raise. Asuncion Bureau, on the other hand, was included in a 1978 Department of State wage survey to which all local hires objected, and

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was informed through the Embassy in September 1979 that for an upcoming rerun of the survey, no FSN positions would be excluded from the Department's classification standards.

It appears to us, looking at the issues involved from the outside, that there is in reality no uniform policy in operation either among FBIS bureaus or between FBIS and the Department of State. Rather, it seems to be up to each bureau chief to accede or not to accede to local Embassy standards and to Department of State recommendations as he or she deems appropriate or necessary.

A major part of the problem, in addition to the long-standing nonconforming pay scales of certain bureaus, is position classification. Many FBIS managers feel strongly that monitor positions are quite unique and that the skills, experience, selectivity and judgment required of monitors places them on the position scale well above the translator level assigned them by most State Department classifiers. A lesser problem exists regarding bureau technicians, some of whom, in FBIS' view, need greater skills than are required for the general maintenance-man category appearing on Embassy FSN schedules. A further source of misunderstanding between bureaus and embassies in the administration of foreign national employees is the very limited requirement

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within the U.S. Mission, outside of FBIS, for night duty, shift work, holiday work, and the accompanying premium pay additions to wages that are so common to most FBIS alien employees.

We understand that FBIS and the Department of State have begun to work together on the classification problem in an attempt to find an agreed definition for monitor positions within general Department FSN job classifications. In our opinion, any steps that will reduce the current patchwork of FBIS pay and position schedules and Embassy relationships are to be commended, and we encourage FBIS to work, together with other Agency components, such as PMCD and the Office of General Counsel (OGC), and with the Department of State to establish to the extent possible and as rapidly as possible a uniform pay and classification policy.

Another factor emerging from the increasing involvement of the State Department in the administration of foreign nationals attached to overseas missions is the interest some embassies and consulates are taking in the day-to-day administration of FBIS foreign national employees. In Asuncion, the Embassy is becoming involved in the hiring of all locals, is requesting fitness reports on bureau foreign

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national employees, and is passing on various personnel actions. FBIS' Hong Kong Bureau has found itself having to fight on the Consulate General's FSN promotion panel for employee promotions which have been approved by FBIS Headquarters; here too, the bureau must submit fitness reports on its foreign staff to the Consulate for review and filing. As was the case regarding bureau participation in State Department wage and reclassification surveys, we found that FBIS Headquarters had established no clear guidelines--worked out in advance with the State Department--for the bureaus concerning their need to comply with Embassy supervisory requests. Where these problems have come up, bureau chiefs have been left to cope as best they can.

#### Third Country Nationals (TCNs)

FBIS administration of foreign employees is complicated by the presence of third country nationals as well as local employees in its overseas bureaus. Embassy FSN schedules make no distinction between foreigners hired locally and TCNs; indeed, no agency other than FBIS uses third country nationals. Recruited in other countries and moved to the bureau site, they get most of the overseas benefits of U.S. staffers--and sometimes more since they often get some local employee benefits as well. Embassy officials often resent

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this as they believe it inspires locally hired foreign nationals to press for more U.S. staff benefits. Typically, TCN benefits include: (1) shipment of household effects; (2) shipment of vehicle from point of hire to post of assignment; (3) housing allowances; (4) educational allowances for dependents, including cost of travel for dependents accepted for full-time study by an American college or university; (5) emergency visitation travel; (6) end of tour (two-year) travel costs to point of hire; (7) U.S. Staff annual leave carryover; and (8) U.S. Civil Service Retirement policies. Depending on the bureau, TCNs may also receive local as well as U.S. holiday benefits, local Sunday pay premium where higher than U.S. rates, and exemption from any tax liability.

Understandably, the disparity of benefits between TCNs and locally hired employees doing essentially the same work has often been a source of friction between them. Except in bureaus where local employees receive a "13th month" bonus that TCNs do not, most TCN gross salaries tend to be significantly higher than those of locals. Moreover, it appears --at least on the surface--that TCN pay rates and benefits have been established and grown over the years with no logical or rational pattern to them. Some TCNs are paid in

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dollars; varied exchange rates in different countries mean that TCNs in comparable jobs get widely different pay. Others are paid in local currency, but with the same disparity in terms of dollar costs to FBIS. For example, a TCN in Vienna, where the value of the dollar has dropped, is paid more in dollar equivalents than a TCN of comparable grade in Tel Aviv where local inflation is rampant and the dollar value is rising. For the many TCNs who will retire on CSR dollar annuities, the resulting disparity in retirement pay will be great. Some TCNs are permanent resident aliens (PRA's) and face retirement in the United States on relatively low annuities.

While it is a stated goal of FBIS to apply the principle of equal pay for equal work to the extent possible, this goal obviously is not being met with regard to FBIS foreign national employees. It is indisputable that TCNs receive more tangible benefits than local hires. Despite FBIS efforts to reduce the disparities, TCN benefits tended to escalate in past years, resulting either in widening the monetary gap between two categories of foreign employees doing basically the same work or in increasing the pressure from local employees for more equal benefits, and thus for more nonconforming pay scales.

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These trends have been abetted over the past six years by two developments that significantly affected FBIS overseas policies in general: the evacuation and loss of the Mediterranean Bureau with the Turkish invasion of Cyprus in 1974 and the evacuation and loss of the Saigon Bureau with the fall of Vietnam in 1975. Both evacuations resulted in the physical transfer and change of status of large numbers of both locally hired and TCN employees. Medbureau employees were sent temporarily to Lebanon and the U.K. and eventually to one or another of the Amman, Tel Aviv, or Nicosia Bureaus or the Athens Unit; employees from the Saigon Bureau went eventually to Bangkok Bureau. As a hedge against future evacuations, FBIS established additional bureaus to provide "redundant coverage" and moved some monitors to staff them.

The aftermath has been that of several former "local hires" becoming TCNs and gaining benefits, a few TCNs losing that status to become local hires and never fully accepting the loss of benefits, TCNs losing substantial pay by transferring from one bureau to another and resenting former colleagues who were not transferred, and for Bangkok Bureau, the imposition of a nonconforming professional pay scale for TCNs that over time has been extended--on the

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principle of equal pay for equal work--to many locally hired employees. Moreover, because of very real personal hardships--and in a few cases, imagined ones--resulting from these upheavals, a genuinely sympathetic FBIS management has in some cases granted personal exceptions or favors to certain foreign employees that have been exploited by others to demand like treatment.

An all too frequent tendency of FBIS management in the past to treat the needs of foreign employees on an individual basis rather than through an overall foreign employee policy has led many foreign employees to expect paternalism on the part of FBIS. During our survey, we encountered many who argued that FBIS owed them one benefit or another because of their long service or their TCN status or because an employee somewhere else had such a benefit. We even encountered a few who were persisting in rather far reaching demands in anticipation that in time FBIS would accede to their wishes. The case outlined in the Nicosia Bureau report of the TCN who ostensibly could not accept his long-sought transfer to London Bureau--where he would become a local hire--because FBIS would not pay the costs of moving his household (although he could afford to take his entire family to England on holiday) is but one of the more extreme

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cases. It may be one thing to grant U.S. PRA status to displaced Vietnamese employees; however, changing the points of hire to allow TCN status for some Cypriot monitors, who were born, raised, and hired in Cyprus and still work there, but who have acquired British citizenship, is another matter. Although this practice is no longer permissible by OGC ruling, its impact is still felt in Nicosia Bureau where Cypriot monitors not afforded the option of changing points of hire rankle at the inequality of pay and benefits for equal work.

Although uniform pay schedules with standard rates of compensation have been studied through the years, no one within FBIS has ever successfully come to grips with the pay disparity problems. In part because some people will get hurt if a line is drawn, there has been wide resistance to any solution that would bring greater equality by cutting back on benefits. Nevertheless, we noted during our survey that while monitors in the Panama Bureau are in the GS-06 through GS-10 grade range, those in Asuncion range only from GS-06 to GS-08 and those in Vienna--where the dollar value is low and the bureau has its own wage scale equate with GS-12 to GS-14 level. We were surprised to find that some foreign national employees in Asuncion had to "moonlight" at

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other jobs in order to make ends meet. If FBIS is to work more closely with the State Department on establishing uniform pay scales as well as classification standards for FBIS foreign employees, it would do well to insist that the local wage system is carefully surveyed so that FBIS employees get what is due them, considering their abilities and dedication.

#### Performance Evaluation

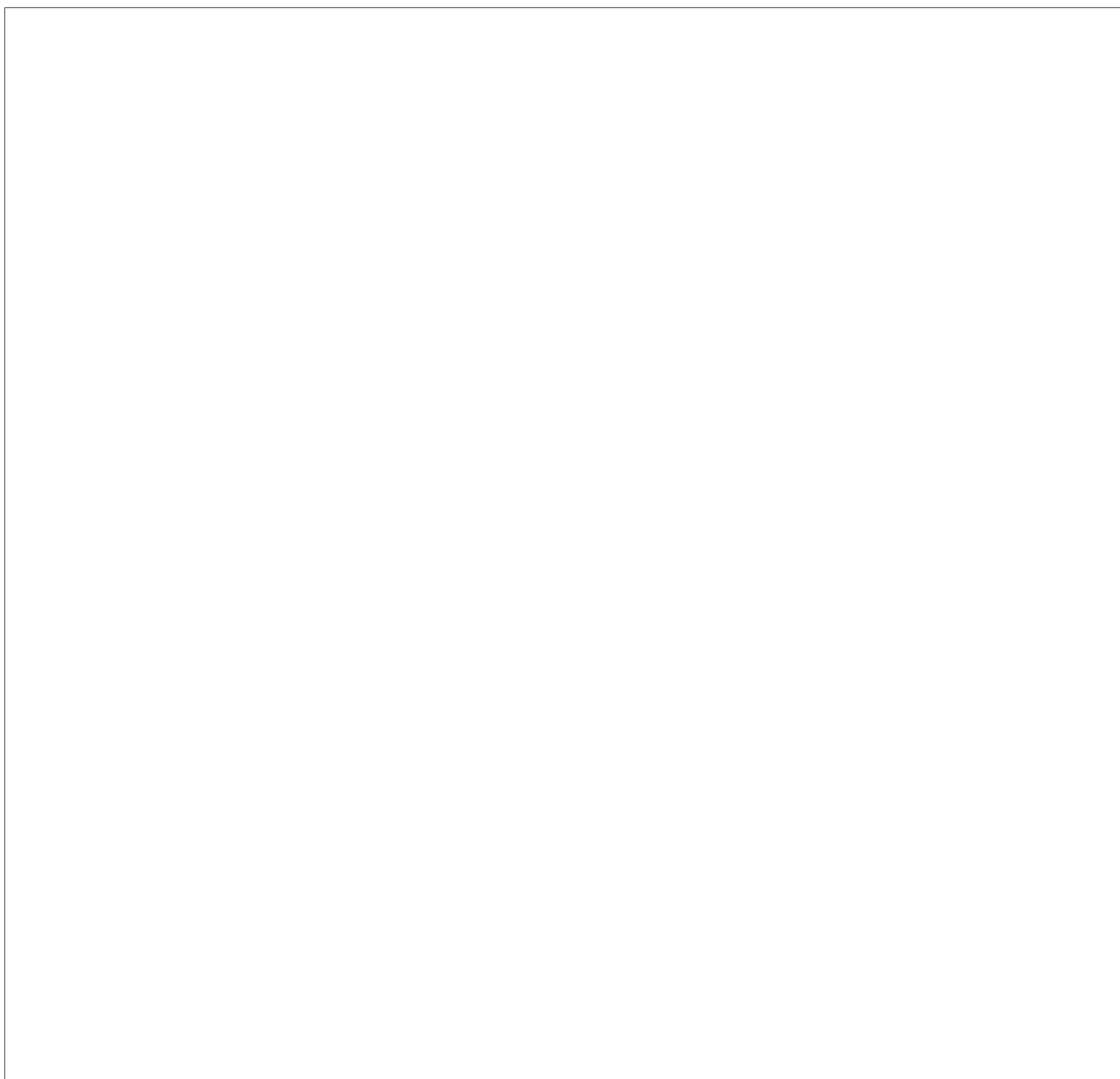
In addition to the problem of trying to bring about a uniform compensation policy, we also found a lack of any standardized evaluation and promotion system for FBIS foreign national employees. While most of the foreign nationals were receiving fitness reports (Athens being an exception), we found that the procedures for evaluating and recommending them for promotions varied from bureau to bureau. Promotions are, however, approved by D/FBIS. Some bureau chiefs had worked out sub-panel arrangements (whereby more senior foreign national employees helped evaluate and rank the more junior ones) but FBIS management had not yet evolved a system for use by all bureaus. And, as noted previously, the role of the embassies in personnel actions was not resolved.

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We understand that FBIS is now holding up any action toward establishing uniform foreign national evaluation and promotion policies pending overall Agency action on the recently completed National Academy of Public Administration (NAPA) report. While this may be prudent, it should not be an excuse for endless studying that diverts management attention from the need to provide uniform guidelines for the field bureaus at the earliest possible date.

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Efforts to Resolve Problems in Managing Foreign Employees

It would be incorrect to imply that FBIS has not tried over the years to solve the problems it has encountered in managing its foreign national employees. It would be equally incorrect to claim that no progress has been made. One recent important action was the effort to define, in an unclassified "Alien Administration Handbook," the regulations, procedures, and benefits that apply to foreign

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national employees. Although by no means an attempt to come to grips with basic problems or inequities, the Handbook nevertheless goes a long way toward removing confusion and ignorance on the part of both U.S. and foreign staffs in the field bureaus with regard to the rights and obligations of FBIS foreign employees.

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One senior FBIS official, while acknowledging that much remains to be done before there is standardized or equal treatment, even between TCN and TCN, told the inspection team that he believed that the trend was moving properly in the direction of providing all TCNs the same

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benefits as U.S. staffers receive overseas. Many in FBIS, however, take strong exception to this trend, believing that management has already been more liberal than necessary toward its foreign employees, including TCNs. They question, for example, the need to provide housing allowances for TCNs who remain at one bureau, as most do, for a decade or more and who buy their own homes or acquire long-term leases, the same as do their locally hired colleagues. Also questioned are the regular two-year travel allowances for TCNs who, after long years abroad, retain little or no realties to their countries of hire, yet continue to draw what amounts to FBIS-paid vacations. At the same time, however, tailoring allowances to individual situations--although on occasion desirable--tends to lead FBIS into inequities, pressures for ever-expanding benefits, and a hodgepodge of administrative practices from bureau to bureau.

There have been numerous studies and proposals over the years for tackling these problems. In a memorandum to the Director of FBIS in 1971, for instance, the then Deputy Chief of the FBIS Administrative Staff made a number of recommendations designed to put a ceiling on or reduce the benefits of TCNs, narrow the gap between TCNs and local hires, and result in some savings. Essentially, his recommendations were to:

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- extend TCN education allowances to locally hired third country nationals who cannot use local public schools for their children and therefore must pay the cost of private education;

- grant end-of-contract travel allowances (to point of hire) for TCNs every three years instead of every other year, bringing them also more in line with existing U.S. staff end-of-tour travel;

- establish a gradually declining scale for TCN housing allowances (e.g., a 25 percent reduction every five years to terminate completely after 20 years);

- place Thai monitors in Bangkok on the professional pay scale with TCNs, as in Cyprus and Vienna and in line with the "equal pay for equal work" principle;

- study the feasibility of a quasi-uniform FBIS pay scale, such as establishing four main geographic/monetary areas (East Asia, Europe, dollar, and sterling) within which there would be standard compensation rates.

Of these recommendations, only those for extending TCN educational allowances and placing Thai monitors on the professional pay scale--both, in effect, extending TCN benefits to local hires--were adopted. A study of the

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concept of quasi-uniform pay rates was deemed "impractical", and reduced housing or travel allowances were deemed likely to create individual hardships or to cause the resignations of some essential personnel. The fate of these proposals reflects the difficulties FBIS has had in finding and agreeing on solutions to its problem areas.

In another instance, an Alien Administration Study Group (AASG) was formed in November 1977 to explore "long standing problems with respect to the status of FBIS foreign national employees." AASG membership included representatives from FBIS; the Office of Personnel (OP) including PMCD; OGC; and the Office of Finance (OF). The genesis of this Study Group actually was the "serious concern" expressed to the Deputy Director for Administration (DDA) by the Deputy Director of Personnel at a meeting in 1976 about the legality of FBIS personnel practices. This concern came about largely as a result of the OP review of a foreign national grievance case in which the grievant had been fired by the Director, FBIS. OP contended--and was upheld by the DDA--that only the DCI had authority to fire Agency employees. FBIS had, for all intents and purposes, been operating without proper delegation of authority for something in the order of 15 to 20 years.

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The AASG did serve a useful purpose in that it prepared a series of recommendations which resolved all legal hurdles and led to a proper delegation of authority by the DCI to the Director, FBIS for foreign personnel actions, as well as in effect, legalizing past FBIS personnel actions.

Little progress, however, was made toward solving many "long standing problems of FBIS foreign national employees." Interim recommendations were made to FBIS management, but nothing of real substance in the area came forward from the AASG. Some insight into the thinking of the Study Group may be gained from a review of the following paragraph from an AASG Memorandum concerning TCN entitlements to post differentials:

"While the uniform and equitable application of TCN benefits is desirable in theory, in practice it is virtually impossible. The benefits that can be granted vary from post to post, depending on host government laws and regulations and on host organization policy. Obviously, FBIS must grant its TCNs any benefits to which they are entitled under the law. Given the fact that standardization cannot be achieved, FBIS should therefore consider very carefully any benefits it authorizes in those areas where it has discretionary authority. The OP representatives on the Alien Administration Study Group are of the view that FBIS would be well advised to offer only those benefits needed as a lure to accept employment abroad. It is also their belief that FBIS should consider the extension of any new benefits in the light of two other goals it is attempting to achieve in the administration of its aliens: eliminating to the extent possible the inequities between TCNs

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and local hires; reducing the profile of FBIS bureaus in the embassies to which they may be attached and bringing FBIS practices into line with those of these embassies wherever this is possible and desirable.

The Study Group's negative view of the possibilities of achieving standardization perhaps foreordained its lack of progress. In any event, the AASG soon died a natural death, its chairman was reassigned, and no final report was ever prepared.

FBIS' most recent attempt to address its alien administration problems was its creation in late November 1979 of another study group, the Foreign National Panel. The panel, which has no specific charter, is looking into the extent to which the administration of foreign nationals in the various FBIS overseas bureaus conforms to local Embassy FSN policy, with a view toward standardizing certain FBIS procedures. The new Foreign National Panel is chaired by the Chief of the FBIS Administrative Staff and includes as members the Deputy Chief of the Operations Group, the Special Assistant to the Chief, Operations Group, the Personnel Officer, and the Planning Officer from the Executive and Planning Staff, and the Deputy Chief of the Production Group.

Although we would like to be optimistic concerning the likelihood of action resulting from the work of this panel, it is difficult to believe that it will prove to be

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other than one more example of the FBIS syndrome of continually studying a problem. What is needed, in our opinion, is a fixed managerial responsibility for coming up with solutions to some of the vexing problems that have festered for years in the administration of FBIS foreign employees

We therefore believe that the Director, FBIS should establish a full-time senior Foreign National Coordination Officer, located either within Operations Group or in the FBIS front office, to function as a special assistant to the Director, FBIS. This officer's responsibilities would include coordination within FBIS (including, of course, the field bureaus), coordination with DDA (including OP and OF), with OGC (and, as necessary, the Office of Legislative Counsel), and coordination with the Department of State on foreign national employee matters. In our view, the creation of such a position need not mean a diminution of the role of the Chief, Operations Group, but, rather, should relieve him of overseeing many of the details of administering  FBIS foreign nationals in order to focus on the larger issues. At the same time, the extensive coordination required to develop uniformity of procedures for pay, position classification, retirement, grievances, and the like seems to us to demand the attention, at least

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temporarily, of a full-time officer. He also should be charged with the responsibility for documenting and, if necessary, for recommending correction of possible inconsistencies in Agency regulations concerning the rights and benefits of FBIS foreign nationals.

Although, as noted, we are not optimistic that the new Foreign National Panel will come up with the necessary recommendations to solve foreign national management problems, we nevertheless believe that FBIS should take the lead in solving its own problems. In our view, the new panel--with the Foreign National Coordinator as a member--should be expanded, under FBIS leadership, to include representatives from the DS&T, OGC, OP (PMCD) and OF--and given the opportunity to examine the status of FBIS foreign national employees world-wide and to make recommendations for change. The Foreign National Panel should concern itself with the overall management of FBIS foreign nationals, to include suggestions for effecting greater standardization of benefits and procedures and for effecting cost savings. It should also be required to submit a report on its findings and proposals to the DDCI not later than three months after receipt of this inspection report.

Recommendations\*

\*Recommendations B2, D21, and D22, included in the Executive Summary, apply to this section as well.

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